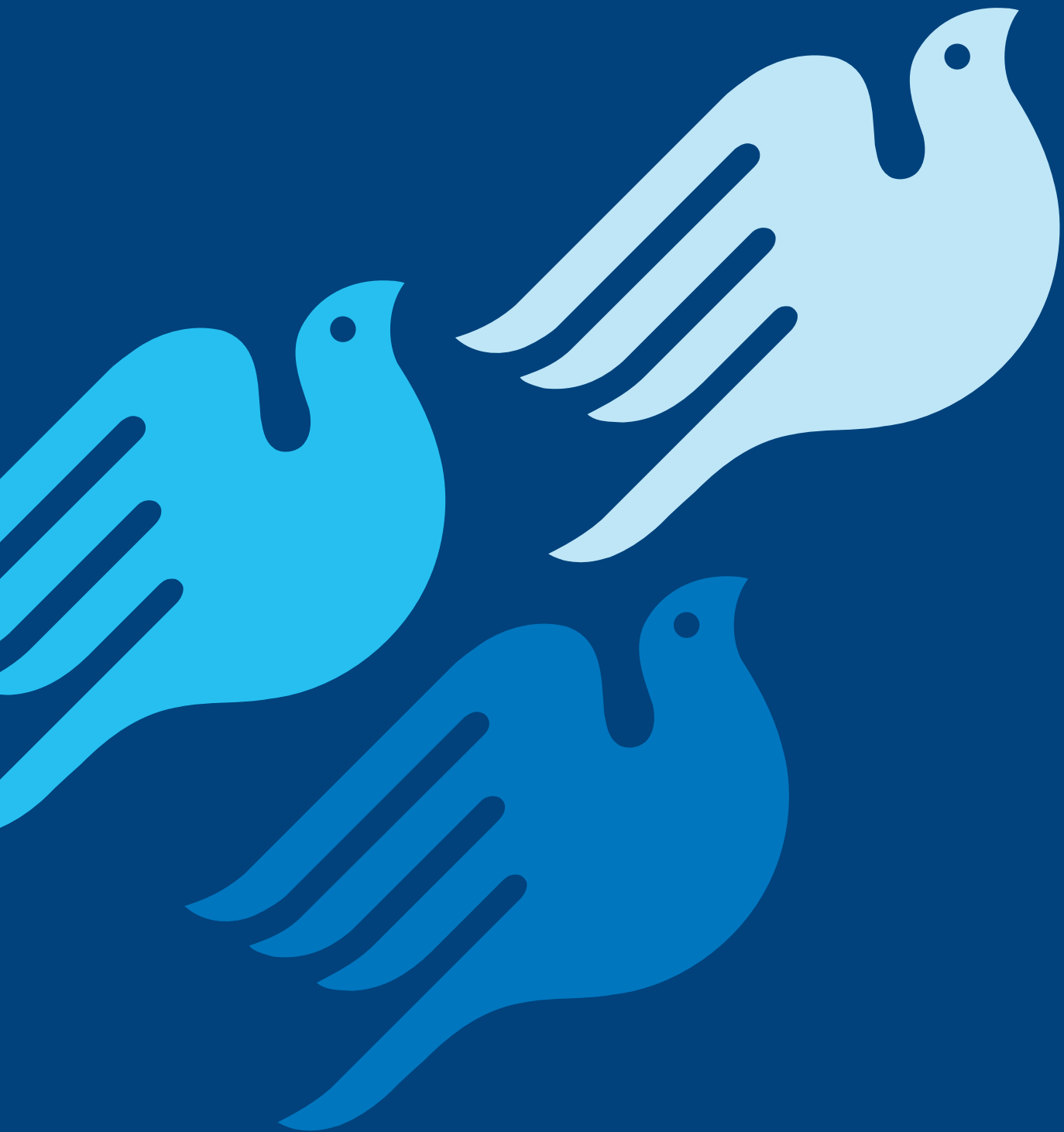




ANNUAL REPORT 2021 FORM 56-1 ONE REPORT
BANGKOK INSURANCE PUBLIC COMPANY LIMITED



กรุงเทพประกันภัย
Bangkok Insurance

VISION

Bangkok Insurance aims to be
the preferred non-life insurer in Thailand

We will strive for progress with

- Quality products and services that meet our customers' needs
- Fast and responsive service to maximize our customers' satisfaction
- Exceptional teams who are knowledgeable and innovative
- Tradition and culture of corporate integrity

CONTENTS

FINANCIAL HIGHLIGHTS	3
PRIDE IN 2021	4
MESSAGE FROM THE CHAIRMAN	8
MESSAGE FROM THE CHIEF EXECUTIVE OFFICER AND PRESIDENT	10

PART 1 BUSINESS OPERATION AND PERFORMANCE

REPORT OF THE COMPANY'S OPERATIONS	14
INVESTMENT INCOME	15
INVESTMENT	16
INVESTMENTS IN SECURITIES	17
SHAREHOLDING IN OTHER COMPANIES	18
REVENUE STRUCTURE	19
SUMMARY OF QUARTERLY FINANCIAL RESULTS	20
FIVE YEARS REVIEW	21
POLICY ON AND THE OVERALL BUSINESS TRANSACTION	22
TYPE OF BUSINESS TRANSACTIONS	27
REPORT OF THE COMPANY'S OPERATIONS	41
RISK MANAGEMENT	51
SHAREHOLDINGS STRUCTURE	58
CORPORATE SUSTAINABLE DEVELOPMENT	62
SUPPORT OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS	63
MANAGEMENT OF IMPACTS ON STAKEHOLDERS IN BUSINESS'S VALUE CHAIN	65
DEVELOPMENT OF PRODUCTS AND INNOVATIONS FOR SUSTAINABLE GROWTH	70
CREATION OF SUSTAINABLE SOCIETY	76
ENVIRONMENTAL MANAGEMENT FOR FUTURE SUSTAINABILITY	89
GENERAL INFORMATION	94
LINES OF BUSINESS	98

PART 2 CORPORATE GOVERNANCE

THE POLICY ON GOOD CORPORATE GOVERNANCE	102
THE STRUCTURE OF GOOD CORPORATE GOVERNANCE	106
REPORT OF THE COMPANY'S SIGNIFICANT PERFORMANCE ON GOOD CORPORATE GOVERNANCE	121
INTERNAL CONTROL AND RISK MANAGEMENT	135
RELATED PARTIES TRANSACTIONS	137
ORGANIZATION STRUCTURE	139
ADVISORY BOARD	140
BOARD OF DIRECTORS AND BOARD OF DIRECTORS PROFILE	141
MANAGEMENT COMMITTEE AND MANAGEMENT COMMITTEE PROFILE	150
REPORT OF THE AUDIT COMMITTEE	157
REPORT OF THE REMUNERATION AND NOMINATION COMMITTEE	158
REPORT OF THE CORPORATE GOVERNANCE COMMITTEE	159

PART 3 FINANCIAL REPORTS AND FINANCIAL STATEMENTS

REPORT ON THE BOARD OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL STATEMENTS	162
INDEPENDENT AUDITOR'S REPORT	163
STATEMENT OF FINANCIAL POSITION	166
STATEMENT OF COMPREHENSIVE INCOME	168
STATEMENT OF CASH FLOWS	169
STATEMENT OF CHANGES IN OWNERS' EQUITY	170
NOTES TO FINANCIAL STATEMENTS	172
FINANCIAL RATIO	247
OTHER REFERENCE PERSONS	248

FINANCIAL HIGHLIGHTS

	2021 (Baht'000)	2020 (Baht'000)	Change %	2021 (USD'000)
--	--------------------	--------------------	-------------	-------------------

For The Year

Premium Written	24,510,990	22,858,220	7.2	733,425
Underwriting Income	645,956	2,873,110	(77.5)	19,328
Operating Expenses	988,510	984,279	0.4	29,578
Finance Costs	40,831	39,337	3.8	1,222
Net Profits (Loss) from Underwriting	(383,385)	1,849,494	(120.7)	(11,472)
Net Investment Revenue	1,498,246	1,360,589	10.1	44,831
Profits before Income Tax Expenses	1,114,861	3,210,083	(65.3)	33,359
Income Tax Expenses	58,979	504,487	(88.3)	1,765
Net Profits	1,055,882	2,705,596	(61.0)	31,593

At Year - end

Unearned Premium Reserve	10,991,939	10,310,716	6.6	328,904
Shareholders' Equity	32,818,100	30,343,047	8.2	981,993

Per Share

	(Baht)	(Baht)		
Basic Earnings Per Share	9.92	25.41	(61.0)	-
Ordinary Share (Shares)	106.47 Million	106.47 Million	-	-
Dividends	15.00	15.00	-	-
Book Value	308.24	284.99	8.2	-
Market Price (High-Low)	308-263	296-173	-	-
Market Price at Year-end	268	276	(2.9)	-

USD 1 = Baht 33.4199

G5P 1 = Baht 45.0984

EUR 1 = Baht 37.8948

JPY 100 = Baht 29.0639

PRIDE IN 2021

—

Amidst the challenging situation during a crisis of the spread of the Corona Virus Disease 2019 (COVID-19), resulting in an economic and social change and an alteration in people's livelihood and lifestyle, Bangkok Insurance Public Company Limited has realized the necessity to continuously adapt itself to keep pace with the circumstances.

We, therefore, never cease to develop the organization in all respects through standing firm in providing sound services to customers with strong determination and constantly developing products and services, ready to support them with advanced and safe technology, aimed at submitting services beyond customers' satisfaction and taking care of them in each step throughout. The year 2021 is regarded as another year of success in which Bangkok Insurance received honorable awards from a number of leading organizations both inside and outside the country.

For 2021, the Company has obtained pride through the following awards.

Honorable Award

The "Quality Achievements Awards 2021" award from the ESQR's Quality Achievements Awards 2021, organized by European Society for Quality Research (ESQR) or the European organization for quality survey and research, aimed at extolling model agencies across the world conducting business transactions under a quality assessment of international standards. The award was presented to the Company since it had created modern technology and innovations, as well as was excellent in managing the organization having sound quality in all dimensions, whether strategies, product designs, or work performance both at the organizational and staff level promoting steady development, reflecting the Company's potential and competitiveness on a par with international standards in terms of being a model organization having a sound business transaction.

The "Best Customer Focus Award" award from the Thailand Top Company Awards 2021, organized by Business+ Magazine, in cooperation with the Thai Chamber of Commerce University, aimed at commending an organization with excellent performance and being excellent in each aspect. The award was presented to the Company because it had conducted its business transaction on customer-center basis, with a strong determination to develop its insurance products and services including distribution channels to gain access to customers and in response to all their demands, aimed at customers' reception of an efficient service and sound experience, resulting in their confidence and trust in the Company throughout the period of over 74 years.



The “Product of the Year 2021 for Comprehensive Motor Insurance” award from Business+ Product of the Year 2021, organized by Business+ Magazine, in cooperation with the College of Management, Mahidol University. The award was presented to the Company since it had steadily given priority to the development of its products and services in direct response to customers’ demand. As to Comprehensive Motor Insurance, the Company has applied modern technology and innovations to providing claims service to its customers for their convenience and quickness.

The “Product of the Year 2021 for Health Insurance: Sam-Rok-Kuan-Jai Insurance (Insurance against 3 Vexing Diseases)” award from Business+ Product of the Year 2021, organized by Business+ Magazine, in cooperation with the College of Management, Mahidol University. The award was presented to the Company because it had selected coverage for seasonal diseases in direct response to the demand of the market and consumers, for instances, influenza, mosquito-related diseases (dengue, Zika virus fever, Japanese encephalitis, chikungunya, malaria) and hand-foot-and-mouth disease, causing the Company to gain trust from customers throughout.

The “Outstanding Non-Life Insurance Company Promoting Insurance Policy for the Public for 2020” award from the All-inclusive Outstanding Insurance Award, organized by the Office of Insurance Commission (OIC). The award was presented to the Company for steadily developing its small-scale insurance policy or micro insurance, aimed at enabling the people to gain access to all-inclusive and more comprehensive insurance.

The Outstanding Ethics Award 2021 from the 19th TCC Best Award 2021: Seize Opportunities navigate through crisis with ethics, organized by the Thai Chamber of Commerce. The award was an announcement of honor for the Company for its awareness of an application of the code of ethics to business management so that it gained acceptance, trust and faith from society. Bangkok Insurance has attached to the code of ethics, ethical conducts and corporate governance for its business transactions which are transparent and verifiable, including clinging to honesty and fairness, apart from equally treating the Company’s customers, business partners and employees, leading to sustainable organizational development.

Corporate Governance Report of Thai Listed Companies 2021 with the Score of Excellent which is the highest level in the project on a survey of Thai listed companies’ corporate governance for 2021 conducted by the Thai Institute of Directors Association (IOD), which is supported by the Stock Exchange of Thailand (SET) and Securities Exchange Commission (SEC), reflecting the Company’s intentions to give importance to the continuous development of its good corporate governance with a consideration of all groups of stakeholders, as well as a transparent and verifiable data disclosure, in parallel with conducting business transactions on the principle of good corporate governance basis, all aimed at the organization’s sustainable growth.

Outstanding Award on Labor Relations and Welfare 2021 for 3 consecutive years, organized by Department of Labour Protection and Welfare, Ministry of Labour. The Company has had standard management of labor relations and had appropriate arrangement of labour welfare, including creating sound working environment to promote its employees’ sound quality of life.

The New-Coming Single Fund Award for provident fund among the private sector fund size over Baht 1,000 million, from the 9th contest among outstanding provident fund operators for 2020, organized by Association of Provident Funds. The award was presented to the Company since it had defined the roles, duties and responsibilities of employers and the fund committee, aimed

at controlling and examining Bangkok Capital Asset Management Public Company Limited's fund management performance so that it is in accordance with the principle of good corporate governance and generally accepted standards, with a consideration of appropriately maintaining the members' interest.

Financial Strength Rating

Bangkok Insurance derived, on November 9, 2021, Financial Strength Rating of A- (Stable) from the Standard and Poor's Institution (S&P), a leading global credit rating organization, reflecting the Company's leadership in the non-life insurance industry having competitiveness, with sound operating results and stable funds and assets, apart from possessing a fund management at a satisfactory level.

Additionally, the A.M. Best Company, another leading global credit rating organization, had ranked, on June 10, 2021, the Company's Financial Strength Rating with the score of A- (Excellent), and Issuer Credit Rating with the score of a-, emphasizing its stable funds and financial stability, as well as its leadership in the non-life insurance industry in Thailand, having competitiveness and a sound management system.

Financial Strength	
Standard & Poor's	November 9, 2021
Financial Strength Rating - Local Currency	A- (Strong)
Issuer Credit Rating - Local Currency	A- (Strong)
Outlook	Stable
A.M. Best	June 10, 2021
Financial Strength Rating	A- (Excellent)
Financial Strength Rating Outlook	Negative
Issuer Credit Rating	a- (Excellent)
Issuer Credit Rating Outlook	Negative

MESSAGE FROM THE CHAIRMAN



The situation of the spread of the Corona Virus Disease 2019 (COVID-19) still continuously exists, resulting in the global economy and Thai economy not being able to revive fully in 2021. Though the export, the country's principal income, has a trend of certain recovery, tourism, which is a major contributing factor to the Thai economic growth, is still apparently impacted, coupled with consumers' volatile purchasing power for lack of income of the household sector affected by the stagnation of economic activities, besides a burden on consistently burgeoning households' debts. Nevertheless, in 2021, the non-life insurance industry could achieve a 5.2 percent growth, which was higher than that of the previous year, which was 3.5 percent, due to a higher interest in purchasing health insurance and accident insurance, particularly coverage of COVID-19, together with marine insurance benefiting from a revival of international trades which resumed their activities once again. In addition, the industry all risks insurance also gained the advantage of an adjustment of a higher global reinsurance premium rate.

Under such conditions Bangkok Insurance Public Company Limited is still determined to steadily provide sound and quality services under its vision "Aim to be the preferred non-life insurer in Thailand," which can be obviously seen from a payment of claims for COVID-19 insurance for which the Company has increased its payment channels in response to a large amount of incoming work, for instance, a report of claims via its LINE Official Account, and website, apart from mobilizing employees from various departments to take part in claims management, aimed at allowing customers to obtain their claims as soon as possible. Furthermore, the Company has also had a policy on a relief of customers' financial burdens, for example, an extension of the period of premium installment payment, and an installment payment through a credit card of 0 percent, with a maximum of 10-month period. Additionally, as to the design and development of products, the Company has designed coverage in compliance with new risks, as well as changes in consumers' behavior and the business environment, including providing convenience to customers for their decision making to purchase, such as insurance with coverage for being allergic to COVID-19 vaccine, cyber insurance, comprehensive motor insurance which can choose its sum insured, etc, apart from giving priority to business transactions in conformity with the principle of good corporate governance, and supporting the economic, social and environmental sustainability in accordance with an ESG (Environmental, Social and Governance) guideline, aimed at enabling sustainable business transactions in an era of rapidly changing circumstances.

With respect to the Company's operating returns in 2021, they were still able to attain a growth beyond the target set, with a total written premium rising by 7.2 percent to Baht 24,511 million, compared to the year before. Nonetheless, owing to an expansion of COVID-19 insurance work and a large number of infected people, the Company's underwriting performance was inevitably affected, but due to its sound investment management, the Company's earnings before tax were Baht 1,114.9 million, and net income was Baht 1,055.9 million, or earnings per share of

Baht 9.92. The Company's Board of Directors' meeting on February 25, 2022, has approved a final dividend payment of Baht 5 per share for the year 2021. Therefore, in 2021, the Company had made total dividend payments of Baht 15 per share. In addition, the Company also possesses robust financial standing, stable fund and assets, the Capital Adequacy Ratio (CAR) higher than that defined by law, apart from the maintenance of high Financial Strength Rating of A-(Stable), ranked by the Standard and Poor's Institution (S&P) as at November 2021 and A- (Excellent), ranked by the A.M. Best Company as at June 2021.

Furthermore, the Company has been awarded numerous honorable awards from various institutions, both at the international level, for instance, the "Quality Achievements Awards 2021" award, organized by European Society for Quality Research (ESQR) and at national level, from institutions in the country, for example, the "Best Customer Focus Award" award, organized by Business+ Magazine, in cooperation with the Thai Chamber of Commerce University, the "Product of the Year for Comprehensive Motor Insurance and Health Insurance for Sam-Rok-Kuan-Jai (Insurance against 3 Vexing Diseases)" award, organized by Business+ Magazine, in cooperation with the College of Management, Mahidol University, the "Outstanding Non-Life Insurance Company Promoting Insurance Policy for the Public for 2020" award, organized by the Office of Insurance Commission (OIC), the "Outstanding Ethics Award for 2021" organized by the Anti-Corruption and Ethics Promotion Committee, the Thai Chamber of Commerce, the "Outstanding Award on Labor Relations and Welfare 2021," organized by the Department of Labour Protection and Welfare, Ministry of Labour, the "New-Coming Single Fund Award for provident fund among the private sector fund size over Baht 1,000 million" award, organized by the Association of Provident Funds including being praised as Corporate Governance Report of Thai Listed Companies 2021, with the score of "Excellent" Level, by the Thai Institute of Directors Association (IOD), reflecting the Company's development of service quality in all dimensions.

On behalf of Bangkok Insurance Public Company Limited, I would like to extend my sincere thanks to our customers, business partners, shareholders, business allies and stakeholders for their great trust and support of the Company throughout. I would also like to thank sincerely all the Company's management and employees for their concerted effort to break through the obstacles and dedicate themselves fully to excellent performance, causing the Company, in 2021, to maintain its sound operating returns despite being continuously confronted with innumerable challenging risk circumstances.



Mr. Chai Sophonpanich

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER AND PRESIDENT



With the working philosophy “Your Caring Partner” to which the Company has attached throughout, the Company has led and propelled its business with principal consideration of its customers. Due to a situation of an infection of Corona Virus Disease 2019 (COVID-19) which has occurred several rounds through the variants of virus and has still constantly spread up to now, it is regarded as a great challenge to the Company’s management of the disease, in terms of the underwriting, claims, and supporting work. This is aimed at relieving customers’ suffering as much as possible under the context of changes in various dimensions influencing the Company’s business transactions, whether the overall volatile economic factor, marketing competition condition rapidly fluctuating in accordance with consumers’ demands and behavior, innovations and technology developed in myriad patterns in response to one’s livelihood in current society, or the regulator’s burgeoning requirements, rules and regulations.

In 2021, the claim management of COVID-19 insurance was considered a crucial mission. The Company had allocated its employees in support of a claims payment service, with consideration of safety based on the public health guideline, via an increase in more convenient and faster channels for contacting and providing services to customers, an application of technology to helping performance under the policy of “Work from home” and working with a limited number of employees but having to raise the efficiency in response to the growing, beyond expectation, number of people requesting claims. Furthermore, the Company has continuously followed up the data on and made an assessment of the number of those infected by COVID-19, apart from estimating a total amount of claims to be paid under a simulation of the situation of spreading, in different points of view, and giving priority to the Company’s management of its financial liquidity in support of a claims payment under such risk. Based on its past performance, the Company still possesses robust financial standing and is able to manage claims within the period of time defined. Accordingly, customers can be confident that we will stand by you and are ready to respond to risks in full capacity. In this connection, as to its underwriting work, the Company has consistently invested in technology to raise a higher standard of its insurance service provision, has developed new distribution channels and services accessible to customers, besides introducing various innovations

to assisting in the management of data and analysis of customers’ behavior, aimed at a design of insurance products in greatest response to customers’ demand.

Another significant issue of which the Company has been tremendously aware is a sustainable business transaction with consideration of a repayment to society and preservation of the environment. Over the past year, the Company had taken part in different projects and activities to help patients and those impacted by a crisis of the spread of COVID-19, through a presentation of ventilators and necessary medical equipment to hospitals across the country, as a moral support to front-line medical staff essential for a treatment of patients, apart from steadily carrying out, each year, activities supporting education and development of communities, society and the environment, as well as activities supporting Buddhism and art and culture. The Company has been determined to conduct a transparent and fair business transaction based on the principle of good corporate governance and in compliance with the sustainability concept of ESG (Environmental, Social and Governance) which business across the world has given importance to, besides performing in strict compliance with the regulator’s requirements and regulations.

On this occasion, I would like to thank our customers, shareholders, Board of Directors and business allies for their great support of the Company throughout. I would also like to thank sincerely all the Company’s management and employees for their strong determination and excellent performance, causing the Company to get through crises safe and sound. I ask all of you to have confidence in Bangkok Insurance, which still persists in providing the best service to its customers in every step in order to generate everlasting business stability and growth.



Dr. Apisit Anantanarat

BUSINESS OPERATION AND PERFORMANCE

REPORT OF THE COMPANY'S OPERATIONS

(Million Baht)

Premium Written	2021	2020	Change %	2021 Distribution %
-----------------	------	------	----------	---------------------

Types of Insurance

Fire	1,724.3	1,557.9	10.7	7.04
Marine	782.5	612.2	27.8	3.19
Motor	9,317.7	9,333.9	(0.2)	38.01
Miscellaneous	12,686.5	11,354.2	11.7	51.76
Total	24,511.0	22,858.2	7.2	100.00

Underwriting Income

Types of Insurance

Fire	202.7	466.1	(56.5)	31.38
Marine	158.5	123.8	28.0	24.54
Motor	2,013.2	725.1	177.6	311.69
Miscellaneous	(1,728.5)	1,558.1	(210.9)	(267.61)
Total	645.9	2,873.1	(77.5)	100.00
Operating Expenses	988.5	984.3	0.4	153.04
Finance Costs	40.8	39.3	3.8	6.32
Net Profits (Loss) from Underwriting	(383.4)	1,849.5	(120.7)	(59.36)

(Million Baht)

Net Investment Revenue	2021	2020	Change %
Interest	184.3	274.9	(33.0)
Dividends	868.7	852.3	1.9
Gain on Sales of Securities and Assets	316.5	187.5	68.8
Rental and Other Income	201.7	171.8	17.4
Share of Profits in Associates under the Equity Method	20.4	20.8	(1.9)
	1,591.6	1,507.3	5.6
Investment Expenses	89.0	86.4	3.0
Expected Credit Losses	4.3	60.3	(92.9)
Net Investment Revenue	1,498.3	1,360.6	10.1

Operating Results

Net Profits (Loss) from Underwriting	(383.4)	1,849.5	(120.7)
Net Investment Revenue	1,498.3	1,360.6	10.1
Profits before Income Tax Expenses	1,114.9	3,210.1	(65.3)
Income Tax Expenses	59.0	504.5	(88.3)
Net Profits	1,055.9	2,705.6	(61.0)
Basic Earnings Per Share (Baht)	9.92	25.41	(61.0)
Ordinary Share (Shares)	106.47 Million	106.47 Million	-
Par (Baht)	10.00	10.00	-

INVESTMENT INCOME

Net investment income in 2021 amounted to Baht 1,591.6 million, an increase of Baht 84.3 million, or 5.6 percent, over 2020. This comprised Baht 184.3 million from the interest, a reduction of 33.0 percent; Baht 868.7 million from dividends, a rise of 1.9 percent; Baht 316.5 million gain on sales of securities and assets, an augmentation of 68.8 percent; Baht 201.7 million from rental and other income, an expansion of 17.4 percent; Baht 20.4 million of share of profit in associates under the equity method, a decrease of 1.9 percent. In 2021, the Company's investment expenses rose by 3.0 percent to Baht 89.0 million and expected credit losses, as defined in the accounting guidance related of financial instruments and disclosures applicable to insurance business, of Baht 4.3 million, while its net investment incomes amounted to Baht 1,498.3 million. Thus, the Return on Investment (ROI) was 3.2 percent of the investment portfolio market value, or 6.1 percent of the investment portfolio at cost.

At 2021 year-end, the SET index closed at 1,657.62, a rise of 208.27, or 14.4 percent, from 2020, which closed at 1,449.35. In 2021, the Thai economy gradually recovered in the second half of the year due to the exports and expanding spending in the country motivated by the government's economy-stimulating measures. As a consequence, the Company had a higher surplus on revaluation of share values in the SET, totaling Baht 20,601.3 million, a rise of Baht 3,540.7 million, or 20.8 percent, over 2020.

The Company's investment portfolio at 2021 year-end had dropped by Baht 1,001.5 million, or 3.7 percent, to Baht 26,073.9 million. For the portfolio allocation, the Baht 17,584.9 million fixed income investment accounted for 67.4 percent of the total investment portfolio, while the remaining Baht 8,489.0 million, or 32.6 percent, was invested in both listed and unlisted common stocks and fund units.

Fixed income investments consisted of investments held-to-maturity measured at amortised cost (deposits of financial institutions due over 3 months and deposits paid back when due) diminished by Baht 2,838.1 million, or 20.7 percent, from the previous year to Baht 10,891.6 million, or 41.8 percent of the total investment portfolio. Investments in government and state enterprise securities, with the fair value measured through other comprehensive income, grew by Baht 1,186.3 million, or 36.5 percent from the year before to Baht 4,438.5 million, representing 17.0 percent of the total investment portfolio. Investments in private enterprise debt securities, with the fair value measured through other comprehensive income, rose by Baht 169.2 million, or 26.8 percent, from the previous year to Baht 800.0 million, representing 3.1 percent of the total investment portfolio.

In addition, the Company also has mortgaged loans, another type of its fixed income capital, which declined by Baht 67.5 million, or 4.5 percent, to Baht 1,447.1 million, or 5.5 percent of the total investment portfolio.

For the investment in equity securities in 2021, the Company's investments in securities, with the fair value measured through other

comprehensive income was Baht 6,551.7 million. When subtracted by the allowance of impairment of Baht 65.1 million, the remaining net investments in securities, measured at fair value through other comprehensive income of Baht 6,486.6 million, or 24.9 percent. This comprised investments in listed securities, both inside and outside the country, which augmented by Baht 397.8 million, or 7.5 percent, to Baht 5,703.5 million, or 21.9 percent of the total investment portfolio, compared to 2020. The Company focused on long-term investments, with an investment concept that in the long run the stocks' sound fundamentals will be the main factor contributing to the long-term growth and will help prevent the fluctuation of stock prices and stock exchanges. In this connection, the Company chose to invest with responsibility and did not seek a return only in the form of profit, but concentrated on investments based on Thailand Sustainability Investment (THSI) developed by the SET as an option for investors, including the SETTHSI Index, an index reflecting the price movement of a securities group of companies with sustainable business transactions.

Investments in non-listed securities amounted to Baht 783.1 million, an increase by Baht 70.2 million, or 9.8 percent, from the previous year, representing 3.0 percent of the total investment portfolio. The investments in non-listed securities, which was partly an occupation of equity securities with an aim to make other business transactions by having shareholding in juristic persons obtaining a permit to do the insurance business, or make major business transactions by having shareholding in foreign insurance companies. In fact, most non-listed securities were regarded as strategic investments in order to generate business relationships with others and support the Company's business transactions.

Investment capital in associated companies rose by Baht 12.3 million, or 1.1 percent, to Baht 281.2 million, representing 4.6 percent of the total investment portfolio, the increase stemming from the share of profit, deducted by the dividend share, from those associated companies. It was shareholding which ranged from 20.0 percent and over, and comprised overseas investments such as investments in companies of which the major business transactions were investments in insurance companies, as well as investments in insurance companies in Cambodia and Lao PDR, that enhanced the Company's opportunity to make business transactions with foreign companies. Those associated companies had growth potential in terms of business expansion and returns, as well as being able to pay a dividend to the Company.

Additionally, the Company has investments in funds investing in equity securities amounting to Baht 347.5 million, representing 1.3 percent of the total investment portfolio, unchanged from the year before, while investments in listed real estate funds, and trust funds for investments in real estate, including investments in listed infrastructure funds rose by 68.9 million, or 5.3 percent, to Baht 1,373.7 million, representing 5.3 percent of the total investment portfolio.

INVESTMENT

(Million Baht)

Composition of Investment Portfolio (At Cost)	Year end 2021	Year end 2020	Change %	Distribution % 2021
Fixed Interest Bearing Securities				
Deposits at Banks	10,891.6	13,729.7	(20.7)	41.8
Collateralised Loans	1,447.1	1,514.6	(4.5)	5.5
Bonds	4,438.5	3,252.2	36.5	17.0
Debentures and Other Loans	807.7	639.1	26.4	3.1
Total Fixed Interest Bearing Securities	17,584.9	19,135.6	(8.1)	67.4
Shares - Listed	5,703.5	5,305.7	7.5	21.9
- Unlisted	783.1	712.9	9.8	3.0
- Associated	281.2	268.9	4.6	1.1
Unit of Closed-end Fund - Listed	1,671.2	1,602.3	4.3	6.4
- Unlisted	50.0	50.0	-	0.2
Total Investment Portfolio	26,073.9	27,075.4	(3.7)	100.0

(Million Baht)

Composition of Investment Portfolio At Cost and Fair Value	Year end 2021			
	At Cost	Fair Value	Surplus (Deficit) on Investments Measured at Fair Value	Allowance for Expected Credit Losses
Fixed Interest Bearing Securities				
Deposits at Banks	10,891.6	10,888.7	-	(2.9)
Collateralised Loans	1,447.1	1,390.7	-	(56.4)
Bonds	4,438.5	4,462.9	24.4	-
Debentures and Other Loans	807.7	753.6	(54.1)	-
Total Fixed Interest Bearing Securities	17,584.9	17,495.9	(29.7)	(59.3)
Shares - Listed	5,703.5	26,304.8	20,601.3	-
- Unlisted	783.1	3,125.3	2,342.2	-
- Associated	281.2	281.2	-	-
Unit of Closed-end Fund - Listed	1,671.2	1,776.9	105.7	-
- Unlisted	50.0	53.0	3.0	-
Total Investment Portfolio	26,073.9	49,037.1	23,022.5	(59.3)

INVESTMENTS IN SECURITIES

Investments in Listed Securities as at December 31, 2021, consist of following:

Name of Company	Line of Business	Percentage of Holding (%)	Book Value		Market Value	
			Per Share (Baht)	Amount (Million Baht)	Per Share (Baht)	Amount (Million Baht)
Bangkok Bank	Banking	1.80	40.73	1,397	121.00	4,149
Bumrungrad Hospital	Health Care Services	13.43	9.60	1,025	141.00	15,050
Bangkok Life Assurance	Insurance	4.59	6.75	529	37.00	2,900
TQM Corporation	Insurance	2.52	51.55	390	97.00	734
Charoeng Thai Wire & Cable	Industrial Materials and Machinery	7.29	6.72	195	8.55	248
Thai Reinsurance	Insurance	2.46	1.33	138	1.14	118
Fine Metal Technologies	Industrial Materials and Machinery	9.87	24.01	114	31.50	149
Asia Sermkij Leasing	Finance and Securities	1.01	14.29	76	44.00	235
SCG Packaging	Packaging	0.03	35.00	51	69.25	101
Frasers Property (Thailand)	Property Development	0.28	7.52	48	12.10	78
The Siam Cement	Construction Materials	0.01	428.64	48	386.00	43
Ngern Tid Lor	Finance and Securities	0.06	36.50	47	36.50	47
MK Restaurant Group	Food and Beverage	0.06	83.00	46	52.00	29
Charoen Pokphand Foods	Food and Beverage	0.02	29.24	42	25.25	36
KCE Electronics	Electronic Components	0.04	79.50	41	88.00	46
PTT	Energy and Utilities	0.00	41.44	40	38.00	37
Major Cineplex Group	Media and Publishing	0.29	15.19	40	20.00	52
Bangkok Aviation Fuel Services	Energy and Utilities	0.85	7.11	39	25.50	139
TTW	Energy and Utilities	0.10	9.23	38	11.30	46
Chumporn Palm Oil Industry	Food and Beverage	5.06	1.15	37	2.96	95
Advanced Info Service	Information & Communication Technology	0.01	190.39	36	229.00	44
Samitivej	Health Care Services	0.12	288.34	36	399.00	49
Nonthavej Hospital	Health Care Services	2.43	8.52	33	38.25	149
CP ALL	Commerce	0.01	67.08	32	59.00	28
Vejthani Hospital	Health Care Services	0.40	26.28	31	32.75	39
Allianz Ayudhya Capital	Insurance	0.24	33.47	31	40.00	37
Bangkok Expressway and Metro	Transportation and Logistics	0.05	4.20	31	8.40	62
BTS Group Holdings	Transportation and Logistics	0.02	10.59	31	9.35	27
Chularat Hospital	Health Care Services	0.09	3.00	30	3.64	37
Regional Container Lines	Transportation and Logistics	0.07	52.87	30	49.00	28
Total 30 Listed Companies				4,702		24,832
Other 80 Listed Companies				986		1,462
Unit Trust				1,721		1,830
Warrant				-		-
Total				7,409		28,124

SHAREHOLDING IN OTHER COMPANIES

Investment in Companies at 10% or more of Paid-up capital as at December 31, 2021

No.	Company / Address	Line of Business	Type of Shares	No. of Shares Held	% of Company's Paid-up Capital
1	Asian Insurance International (Holding) Ltd. Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda	Insurance	Ordinary	23,936	41.70
2	Bangkok Insurance (Lao) Co.,Ltd. 321/1-2, Unit 18, Phonsavanh Neau Village, Sisattanak District, Vientiane Capital, Lao PDR	Insurance	Ordinary	380,000	38.00
3	Asia Insurance (Cambodia) Plc. No. 5, Street 13, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia	Insurance	Ordinary	1,604,470	22.92
4	PT. Asian International Investindo Ltd. Grand Slipi Tower 42 nd Floor, Unit G-H Jl. Letjen S. Parman Kav. 22-24, Palmerah, Jakarta Barat 11480, Indonesia	Insurance	Ordinary	6,080,000	19.00
5	Sorachai Vivatn Co.,Ltd. 23 Soi Sukhumvit 63, Sukhumvit Road, North Klongtan, Wattana, Bangkok 10110	Property Development	Ordinary	405,000	15.00
6	Bumrungrad Hospital Public Company Limited 33 Sukhumvit Soi 3 (Nana Nua), Klongtoey Nua, Wattana, Bangkok 10110	Health Care Services	Ordinary	106,740,417	13.43
7	Bangkok Mitsubishi UFJ Lease Co.,Ltd. 173/35, Asia Centre Tower 26 th Fl., South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120	Leasing	Ordinary	60,000	10.00
8	Bangkok Chayorath Co.,Ltd. 25 Bangkok Insurance/Y.W.C.A. Building, 10 th Fl. Sathon Tai Road, Tungmahamek, Sathon, Bangkok 10120	Insurance Broker	Ordinary	10,000	10.00

REVENUE STRUCTURE

(Million Baht)

Premium Written	2021	Distribution %	2020	Distribution %	2019	Distribution %
-----------------	------	----------------	------	----------------	------	----------------

Types of Insurance

Fire	1,724.3	7.04	1,557.9	6.82	1,525.0	7.26
Marine	782.5	3.19	612.2	2.68	604.3	2.88
Motor	9,317.7	38.01	9,333.9	40.83	8,989.7	42.79
Miscellaneous	12,686.5	51.76	11,354.2	49.67	9,889.9	47.07
Total	24,511.0	100.00	22,858.2	100.00	21,008.9	100.00

Underwriting Income

Types of Insurance

Fire	202.7	31.38	466.1	16.22	567.4	25.31
Marine	158.5	24.54	123.8	4.31	92.7	4.13
Motor	2,013.2	311.69	725.1	25.24	382.2	17.05
Miscellaneous	(1,728.5)	(267.61)	1,558.1	54.23	1,199.9	53.51
Total	645.9	100.00	2,873.1	100.00	2,242.2	100.00
Operating Expenses	988.5	153.03	984.3	34.26	1,078.3	48.09
Finance Costs	40.8	6.32	39.3	1.37	2.5	0.11
Net Profits (Loss) from Underwriting	(383.4)	(59.36)	1,849.5	64.37	1,161.4	51.80

Net Investment Revenue

Interest	184.3	11.58	274.9	18.24	319.0	18.61
Dividends	868.7	54.58	852.3	56.54	907.5	52.95
Gain on Sales of Securities and Assets	316.5	19.89	187.5	12.44	239.1	13.95
Rental and Other Income	201.7	12.67	171.8	11.40	182.7	10.66
Share of Profits in Associates under the Equity Method	20.4	1.28	20.8	1.38	23.4	1.37
Gain on Reversal Impairment of Investment	-	-	-	-	42.2	2.46
	1,591.6	100.00	1,507.3	100.00	1,713.9	100.00
Investment Expenses	89.0	5.59	86.4	5.73	89.3	5.21
Expected Credit Losses	4.3	0.27	60.3	4.00	-	-
Net Investment Revenue	1,498.3	94.14	1,360.6	90.27	1,624.6	94.79

SUMMARY OF QUARTERLY FINANCIAL RESULTS

(Baht'000)

Quarterly Results of Operations	2021				2020			
	Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
Premium Written	6,157,153	5,840,204	6,399,902	6,113,731	6,136,135	4,997,694	6,001,403	5,722,988
Underwriting Income	732,122	916,461	(1,346,723)	344,096	615,863	788,854	857,261	611,132
Operating Expenses	279,615	211,764	238,709	258,422	277,670	214,244	222,983	269,382
Finance Costs	9,917	10,018	10,231	10,665	9,657	9,853	9,979	9,848
Net Profits (Loss) from Underwriting	442,590	694,679	(1,595,663)	75,009	328,536	564,757	624,299	331,902
Net Investment Revenue	458,439	268,080	351,200	103,992	428,366	351,321	284,174	109,168
Gain (Loss) on Sales of Securities and Assets	28,010	103,278	74,945	110,302	31,301	169,406	(7,394)	(5,753)
Profits (Loss) before Income Tax Expenses	929,039	1,066,037	(1,169,518)	289,303	788,203	1,085,484	901,079	435,317
Income Tax Expenses	112,923	172,153	(284,212)	58,115	119,416	153,166	139,507	92,398
Net Profits (Loss)	816,116	893,884	(885,306)	231,188	668,787	932,318	761,572	342,919

Per Share

(Baht)

Basic Earnings Per Share	7.67	8.40	(8.32)	2.17	6.28	8.76	7.15	3.22
Ordinary Share (Shares)	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million
Dividends	3.50	3.50	3.00	5.00	3.00	3.00	3.00	6.00
Market Price								
High	277	308	282	293	296	285	289	282
Low	265	266	263	265	173	218	278	270
Par Value	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00

FIVE YEARS REVIEW

(Baht'000)

For the Year	2021	2020	2019	2018	2017
Premium Written	24,510,990	22,858,220	21,008,919	17,326,215	15,940,907
Underwriting Income	645,956	2,873,110	2,242,242	2,551,762	2,386,593
Operating Expenses	988,510	984,279	1,078,263	1,080,794	986,582
Finance Costs	40,831	39,337	2,553	3,266	3,618
Net Profits (Loss) from Underwriting	(383,385)	1,849,494	1,161,426	1,467,702	1,396,393
Net Investment Revenue	1,181,711	1,173,029	1,385,430	1,210,208	1,227,658
Gain on Sales of Securities and Assets	316,535	187,560	239,101	107,424	138,251
Profits before Income Tax Expenses	1,114,861	3,210,083	2,785,957	2,785,334	2,762,302
Income Tax Expenses	58,979	504,487	334,676	378,526	359,205
Net Profits	1,055,882	2,705,596	2,451,281	2,406,808	2,403,097

At Year - end

Unearned Premium Reserve	10,991,939	10,310,716	9,978,382	8,275,770	7,340,161
Shareholders' Equity	32,818,100	30,343,047	31,023,097	34,875,364	35,145,442

Per Share

(Baht)

Basic Earnings Per Share	9.92	25.41	23.02	22.61	22.57
Ordinary Share (Shares)	106.47 Million	106.47 Million	106.47 Million	106.47 Million	106.47 Million
Dividends	15.00	15.00	14.00	14.00	14.00
Book Value	308.24	284.99	291.38	327.56	330.10
Market Price					
High	308.00	296.00	338.00	392.00	368.00
Low	263.00	173.00	293.00	327.00	345.00
Market Price at Year - end	268.00	276.00	295.00	329.00	358.00
Par Value	10.00	10.00	10.00	10.00	10.00
Number of Employees	1,562	1,592	1,550	1,498	1,495

POLICY ON AND THE OVERALL BUSINESS TRANSACTION

Vision, Objectives, Goals or Strategies of the Company's Performance

Bangkok Insurance Public Company Limited has been engaged in all categories of the non-life insurance business, for instance, fire insurance, marine insurance, motor insurance, miscellaneous insurance, including reinsurance. The Company has carried out its business since 1947 and was subsequently listed on the Stock Exchange of Thailand (SET) in 1978, and was transformed into a public company in 1993. Currently, the Company has steadily carried out its business transactions to the 75th year and possesses the paid-up capital of Baht 1,064.7 million, consisting of stocks of 106.47 million shares valued at Baht 10 per share.

Vision

The Company's vision is "Bangkok Insurance aims to be the preferred non-life insurer in Thailand". The Company will strive to progress with quality products and services that meet all customers' needs, fast and responsive to maximize our customers' satisfaction through capable and knowledgeable staff, keeping pace with innovations, and honor a tradition and culture of corporate integrity. The Company has attached to its business transactions with great responsibility to its shareholders, customers and business partners, employees and regulator, including society as a whole and the environment.

For the Company's long-term goal in five years, it still emphasizes an increase in the proportion of insurance premiums from personal line businesses to 60 percent, from the current 50 percent, with a steady growth of the number of personal line businesses by means of work extension through various channels, including a digital channel, aimed at an access to target customers as much as possible. In addition, based on an observation of rapidly changing digital technology and a challenge of the insurance industry in the future, the Company has had a goal of constantly investing in new and advanced innovations and technology so as to upgrade the Company's insurance service standard in response to the need to generate greatest satisfaction for customers, besides augmenting better work efficiency and helping to reduce the Company's operating costs in the long term.

The Company has realized, to achieve its vision and long-term goal established, it has to be able to respond to its stakeholders' demands as much as possible, particularly the first three most significant groups of stakeholders, namely, customers, business

partners and employees since they are the groups that are close to and directly talking part in an achievement of the goal of the Company's business transactions. A guideline in response to the demands of and for overseeing each group of the Company's stakeholders includes the following.

Customers

The Company is strongly determined to develop its insurance products and customer service patterns, focusing on an application of innovations to providing convenience and responding to customers' demand as much as possible, apart from developing the Company's, branches, service centers and other service channels so that they are varied and cover all areas of the country, being in accordance with the current pattern of consumers' daily living. In this regard, the Company's service and management quality is recognized both inside and outside the country for its high standard, reflected in the Company being awarded a honorable award at international level in 2021, "The Quality Achievement Awards 2021" from European Society for Quality Research. Besides, the Company has also received a number of awards from leading organizations and the regulator inside the country, for instance, The Best Customer Focus Award, organized by Business+ Magazine in cooperation with the University of the Thai Chamber of Commerce, The Product of the Year 2021 for comprehensive motor insurance product and health insurance against 3 vexing diseases, organized by Business+ Magazine in cooperation with College of Management, Mahidol University, The Outstanding Non-Life Insurance Company Promoting Insurance Policy for the Public 2020 Awards, organized by the Office of Insurance Commission (OIC), The Outstanding Ethics Award 2021, organized by the Thai Chamber of Commerce, The Outstanding Award on Labor Relations and Welfare 2021 organized by the Department of Labour Protection and Welfare, Ministry of Labour, The New-Coming Single Fund Award for provident fund among the private sector fund size of over Baht 1,000 million, organized by the Association of Provident Funds, apart from being praised as a Corporate Governance Report of Thai Listed Company 2021 at an "Excellent" level by the Thai Institute of Directors Association (IOD).

The Company is the first insurance company in Thailand and the Asian region to receive the ISO 9002, in respect of motor insurance services, from the Bureau Veritas Quality International

(BVQI), a quality certification institution, in 1997. In addition, the Company had been certified for the quality of all work systems of its headquarters and branches, as well as Bangkok and peripheral offices in 2000. Furthermore, the Company was certified with the quality work management ISO 9001: 2000, for all work systems of the organization, in 2002, apart from receiving the ISO 9001: 2008, for all work systems of the organization, from BVQI in 2009 and the British Standards Institution (BSI) in 2015. Subsequently in 2017, the Company was certified with the ISO 9001: 2015, for all work systems of the organization, from BSI, reflecting its strong determination to constantly preserve the standard of a quality work management system and work procedure in compliance with international standards.

Due to increasingly intensified cyber attacks which have become a significant risk and have caused damage to numerous businesses, particularly the industry having a considerable amount of customers' personal data, such as an insurance company, the Company, over the past several years, has realized such risk and has given priority to protecting its customers' personal data through an arrangement of the Information Security Management system of international standards, enhancing security for the Company's data and information. The Company was certified with its Information Security Management system from various organizations, for instance, the quality standards ISO/IEC 27001:2005 from AJA Registras Company in 2014, and ISO/IEC 27001:2013 from SGS Company (Thailand) in 2016. Similarly, in 2018, the Company was also certified with the Payment Card Industry Data Security Standard (PCIDSS), in compliance with VISA requirements.

Furthermore, the Company has also possessed measures in compiling customers' personal data, as well its utilization and strict storage in accordance with the personal data protection act, B.E. 2562 to ensure the customers that their personal data the Company has derived is that generally approved by them and will be used within the scope allowed by them only, apart from being kept confidential and not revealed to anyone.

The Company has also listened to its customers' comments in order to be used to develop the service efficiency and steady issuance of products appropriate for each group of consumers, through defining a plan on a site visit to significant customers and reception of their comments, as well as a collection of personal lines business's comments submitted to the Company via different online channels, including comments displayed on social media. In addition, the Company has also determined an annual target for indicators of customers' satisfaction both at an organizational level and departmental level, besides establishing a work unit within the Company, namely, the Quality Control Center to make a phone survey of customers' satisfaction on the Company's services, aimed at measuring their satisfaction

whether the target set has been achieved or not, after which a survey result is reported to the Company's top management so that services of low satisfaction are revealed and a resolution guideline is established.

In 2021, with the Company's customers being impacted on their income incurred by a situation of the violent spread of COVID-19, the Company had a measure to relieve customers' financial burden by allowing customers, both new and existing ones, to pay their insurance premium on an installment basis for a maximum period of 10 months without the interest, through a credit card partner, while such measure has been extended to the end of 2022.

Business Partners

The Company is determined to conduct business transactions by driving and developing its business partners, for instance, agents, brokers (juristic persons) and financial institutions so that they grow along with the Company. In this connection, the Company has developed an information technology system, aimed at connecting its system and working procedure with those of business partners to raise their convenience of working alongside the Company and to enable them to save operating costs, being able to provide better services to them, all via such systems as the BKI Web Partner system, API (Application Programming Interface) system and Web Entry system. As to the BKI Web Partner system, it allows customers to calculate insurance premiums by themselves and to issue a policy right at a distribution spot, while the API system connects the Company's data with those of its significant business partners, and the Web Entry system gives business partners' customers the convenience of entering data in order to make, by themselves, a request to take insurance or renew a policy.

In addition, the Company has listened to its business partners' comments so as to use them to continuously develop its service efficiency, similar to what the Company has done to its customers, through arranging a plan on a systematic site visit to the Company's significant business partners, which is regarded as an indicator of its departments' success. Besides, the Company has defined an annual target for an indicator of its business partners' level of satisfaction, both at an organizational and departmental level, and has its Quality Control Center conduct a survey, by telephone, of business partners' satisfaction on the Company's services, aimed at measuring their satisfaction whether the target set has been achieved or not, after which a survey result is reported to the Company's top management so that services of low satisfaction are revealed and a resolution guideline is established.

Employees

The Company has given top priority to overseeing its employees to ensure that they have a sound welfare scheme and working environment, reflected in the Company's being awarded, three years in a row, the "Outstanding Award on Labor Relations and Welfare 2021," organized by the Department of Labour Protection and Welfare, Ministry of Labour. In this regard, the Company has given importance, starting with selecting quality staff, through the creation of the Company's outstanding image known to students in leading institutions through such activities as presenting scholarships, supplies and budgets in support of students' activities, opening an opportunity for a visit to or study tour of the Company's affairs and carrying out activities on a contest of a marketing communication plan, etc., all aimed at attracting those with high capability and potential to work for the Company after graduation. The Company has also focused on its employees' diversity of backgrounds and qualifications, with no limit to a selection of only applicants with a particular characteristic, to be in accordance with the Company's guideline for business transactions concentrating on an extension of personal lines business market and regional markets which has a wide variety of target groups. And once they become the Company's employees, they will be provided with training and development for a steady rise in their knowledge and competency in order to create and develop staff's potential for their comprehensive knowledge of business and products, and determination for excellence in service provision, for instance, lending support on scholarships for a master's degree to staff studying in the field in which the Company requires, offering a wide variety of training courses by both the Company's training team and training with external institutions both inside and outside the country. Despite the period of the spread of COVID-19, the Company has also provided its staff with virtual seminars in numerous courses organized both within the organization and by external agencies, aimed at staff's continuous development of their knowledge and ability.

The Company has focused on developing its staff so that they have character, personality and behavior in conformity with its vision, under the concept of Agile Organization, by which the Company's staff must have 3 significant characteristics, namely, the characteristic "Clever" as to be professional in management and providing services to customers, the characteristic "Courage" as to be flexible and resourceful, challenging, adaptable to new technology and the characteristic "Caring" as to be impressive, frank and fair, apart from urging the Company's staff to have righteousness and ethics, besides having knowledge and professionalism, in line with the Company's vision emphasizing its being an organization of sound morality.

To maintain quality staff, particularly a new generation of staff with few-year working period and always having motivation in seeking an opportunity for a better job, the Company also has an individual development plan appropriate for its employees' potential and position, and an obvious promotion regulation, aimed at employees' realization of an opportunity for career advancement in the organization, besides focusing on the development of the Company's staff's performance evaluation system which is fair, transparent and in conformity with the annual goals of the organization. Similarly, the Company has improved its rules, regulations and orders in the workplace, such as dressing, work period, or use of the leave-taking right so that they are more flexible and relaxing, in accordance with a new generation's values. The Company has also concentrated on equal treatment of all its employees and all positions on the basis of respect of the human right principle and wide variety of people, which has been clearly identified in the Company's code of conduct.

During the situation of the spread of COVID-19, the Company also has a policy displaying its concern over employees' health and hygiene through such measures as the procurement of anti COVID-19 virus vaccine, of as many choices of vaccine types as possible, for employees so that they have an opportunity to select the type of vaccine in line with their concept of health and hygiene the most, besides allowing the majority of the Company's employees to work from home, via procuring equipment and a work system necessary for them to work from home, while being able to retain their capability to provide services to customers and business partners as usual. Furthermore, the Company has also realized that an alteration in the working environment from the office to home, including an economic change and a change in one's lifestyle due to the impact of COVID-19, may influence employees' mental health, which may in turn impact their performance efficiency. As a consequence, the Company has a measure of continuously overseeing employees' mental health, whether by arranging a task force giving advice on employees' mental health, providing for an online training course, conducted by an external expert, on taking care of one's mental health, or periodically disseminating the advice on and guideline for taking care of one's mental health through the Company's Intranet.

Apart from the aforementioned Company's first three most significant groups of stakeholders, the Company also has a guideline in response to the demands and for taking care of other groups of its stakeholders as the following.

Regulators

The Company has practices in complete conformity with rules, regulations and orders which the Office of Insurance Commission (OIC) has defined, over both the Company's financial standing

and maintenance of fund higher than that defined in the criteria, including its financial statements and accounting system which is straightforward and transparent. Moreover, the Company has given cooperation in its practices in compliance with the laws, rules and regulations relating to the anti-money laundering, prevention of terrorism and safeguarding customers' information security, apart from seriously attaching to an anti-corruption policy from which the Company has become a CAC Council member since 2015.

Society and the Environment

The Company has had a steady policy of supporting and assisting society and communities over a long period of time, covering a wide variety of aspects, whether education, public health, relief of public disasters, making a living, or preservation of religion, arts and culture, all of which have been carried out by the Company itself through the Bangkok Insurance Foundation, or in collaboration with its allies such as Bumrungrad International Hospital and Bangkok Life Assurance, including other business partners. In 2021, Thailand was still confronted with a situation of the violent spread of COVID-19, causing the Company to focus on making a financial contribution and donating medical equipment to hospitals, as continued from the previous year, for instance, patient beds, PPE suits, ventilators, oxygen-producing and medicine-spraying machines oxygen-producing equipment of medicine sprayer to hospitals in Bangkok and upcountry, such as Um-phang Hospital, Sakon Nakhon Hospital, the National Institute for Emergency Medicine, Samut Sakhon Hospital, Ramathibodi Hospital, Rajavithi Hospital, Nopparatrajathane Hospital, Thunyaburi Hospital, Chiang Mai Neurological Hospital for the benefit in response of a situation of the spread of COVID-19.

As a consequence of a flood occurring in a number of areas across the country, the Company has made a contribution via distributing subsistence bags to flood victims in the area, including expediting the consideration of claims payment made to the insured in case their assets have been damaged by the flood.

Moreover, the Company has been very cautious to conduct its business transactions that may affect the environment, through a policy that any Company's performance must not have a negative environmental impact on society and communities, apart from performing in strict compliance with the principles and requirements of laws relating to the environment, for instance, energy management, hygienic and environmental management, air quality management, waste management, and prevention of accidents in the organization, together with requiring the Company's business partners or suppliers to also take action in the prevention of environmental impacts which may occur. As for the Company's suppliers having a high trend of causing problems to communities and the environment which are the Company's contracted garages, the Company has strictly

overseen them and has required those applying to be its contracted garage to receive, from related government agencies, a license to use a trading place that is not offensive or hazardous to people's health, apart from having a concrete fence closely surrounding the establishment on all sides, and having a working environment that is tidy and safe for garage staff's and employees' health. The Company has periodically made an inspection and assessment of garages' ability to perform in accordance with such conditions.

Shareholders

The Company has given priority to its business transaction based on the principle of good corporate governance throughout and has constantly concentrated on a fair and transparent business transaction, besides performing in strict compliance with the principle of good corporate governance, which is recognized by the general public, reflected in the Company's being awarded The Outstanding Ethics - The Thai Chamber of Commerce 2021 Award, which is presented to a company that has applied the code of conduct to its business transaction so that it gets recognition, trust and faith from society.

As a consequence of its progressive and stable business transactions, including responsibilities to society throughout, the Company was bestowed the Royal Garuda Emblem on April 26, 2004, which has been regarded as the greatest auspices and honor for the Company, the management and all employees to be royally protected. The Royal Garuda Emblem is tantamount to a document certifying that a company upon which it is bestowed has made an honest, moral and established business transaction reliable to the public, which is a significant moral support to those doing business, resulting in the promotion of the country's business for its everlasting prosperity and stability.

In 2021, the Company had targeted its total written premium growth of 5.0 percent, with significant performance strategies of an extension of the motor insurance work for the insurance type with a steadily sound performance, via a reduction in an insurance premium for competitiveness, an expansion of work in the market with high growth such as a health insurance market because consumers are more aware of health, or cyber insurance, apart from issuing new products in line with a change in consumers' behavior and the business environment, like insurance coverage for being allergic to a COVID-19 vaccine, economic crop insurance for marijuana-hemp, surf skate insurance, etc. Additionally, the Company has also focused on an augmentation of underwriting of assets in foreign countries via credit customers of Bangkok Bank in a foreign country. Such extension of work is based on a strict maintenance of underwriting discipline, for instance, a calculation of insurance premiums in compliance with actual risk, as well as a stringent risk survey of properties and places to be insured prior to underwriting consideration.

Furthermore, the Company has still maintained its policy on distributing insurance products to a group of low-income people, which has a significantly increasing number due to an impact of COVID-19 on the country's economy so that they have access to a coverage guarantee on assets, bodies and health, aimed at encouraging one's self-dependence and a decline in the burden of the government sector's budget for an assistance of people. In 2021, the Company still distributed economical insurance products with specific coverage, for instance, health insurance coverage for in-patients only (IPD), health insurance coverage only for influenza and mosquito-borne diseases, health insurance coverage for a case of an illness caused by high-blood pressure and diabetes, similar to a participation in myriad insurance projects carried out by the government sector and established to diminish the government sector's budget risk in support of various risk groups i.e. crop insurance, and COVID-19 insurance for foreign travelers coming into the kingdom. Such insurance projects have created considerable benefits for people to have a financial stability guarantee, while relieving the government sector's burden, without generating much income for the Company. As to a crop insurance project, it has drawn farmers' great interest in participating in the project, reflected in the amount of rice field insured and steadily rising premiums derived from the project each year. In 2021, agriculturists were interested to take insurance for their rice fields totaling 43.5 million rais, with a premium written of Baht 3,568 million. In this connection, the Company had a top-ranking proportion of underwriting, compared to the total number of insurance companies taking part in the project.

The Company is strongly determined to develop more outstanding services than its competitors through a consistent application of advanced technology to its business transactions. In 2021, the Company, in cooperation with Sapiens International Corporation Company, a world's leading insurance software developer, had implemented a Core Business System project, which was the design and development of a new work system in place of an old one via end-to-end solutions for groups of personal lines business and commercial lines business, as well as reinsurance. Moreover, the Company has also developed a database system through the Oracle Exadata Cloud@Customer technology, which will allow the Company to access data more quickly and precisely, including development of service provision efficiency via its existing online channels, for instance, LINE Official Account Application and the Company's website in support of a tremendous amount of COVID-19 claims by a significantly rising number of infected people in Thailand each day, making it possible for the Company to make a claims payment to its customers rapidly in accordance with the time frame defined by the OIC.

The Company has given top priority to its business transaction in compliance with the principle of good corporate governance, and has lent its support to social and environmental sustainability or an ESG (Environmental, Social, Governance) guideline. Throughout its business transactions, the Company has continuously focused on a fair and transparent business transaction and has performed in strict conformity with the principle of good corporate governance, having fair treatment of its employees and business partners in the Company's value chain and paying respect to human rights, apart from steadily helping and supporting communities and society over a long period of time through the Bangkok Insurance Foundation's projects. Besides, to make the Company's guideline for business transaction cover and in compliance with an ESG concept much more, the Company will apply the ESG principle as a partial component of the determination of its strategy direction and annual business transaction plan which will enable the Company to set, more clearly and concretely, its ESG target to be achieved and success indicators.

Significant Change and Development

- Change in authority to control the Company
None

The Corporation's Shareholdings Structure

Bangkok Insurance Public Company Limited has invested in 3 associated companies, namely,

1. Asia Insurance (Cambodia) Plc., with the investment capital ratio of 22.92 percent. The Company has appointed its Board's directors and executives to be directors of the company to take part in defining the latter's policy, as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.
2. Asia Insurance International (Holding) Limited, with the investment capital ratio of 41.70 percent. The company has invested in insurance companies in the region, such as Asia Insurance (Philippines) Corporation and Cambodian Reinsurance Company. Some of the Company's Board directors are directors of the company.
3. Bangkok Insurance (Lao) Company Limited, with the investment capital ratio of 38.0 percent. The Company has appointed its directors and executives to be directors of the company to take part in defining the latter's policy, as well as provide it with support and advice on underwriting, claims, technological systems and financial accounting.

Money Derived from Sales of Equity Securities and Debt Securities

- None

TYPE OF BUSINESS TRANSACTIONS

Types of Products or Services

Type of Business Transactions over the Past Year

In 2021, Thailand's GDP was estimated to achieve a growth rate of only 1.2 percent (The Fiscal Policy Office), which was rather low, compared to a trend of the global economic growth rate of 5.9 percent (International Monetary Fund: IMF), despite the country's recovery of 6.1 percent from its shrinking economy in 2020 due to the Thai tourism sector still being continuously impacted by the spread of COVID-19, resulting in only 427,869 foreign tourists coming to Thailand in 2021 (Ministry of Tourism and Sports), compared to 6.7 million tourists in the previous year. Although there was a beginning of a relaxing measure for incoming foreign tourists as a consequence of the spread of COVID-19 Omicron, causing many countries to increase the strictness or define a measure limiting international travels once again, coupled with a steadily high level of households' debts, with a ratio of households' debts to Thailand's GDP at 2021 year-end projected at 90 percent (The Kasikorn Research Center), compared to 90.6 percent in 2020 (The Bank of Thailand), the consumers' purchasing power was still limited and financial institutions still applied stringent rules to their consideration of credit releases. Nevertheless, exports which are principal driving forces of the Thai economy could achieve 17.1 percent growth (Ministry of Commerce), in line with the revival of the global economy and that of significant trading partners, in spite of being negatively affected by an adjustment of far higher international freight rates and a shortage of accessories for some types of production such as semiconductors.

In 2021, the non-life insurance industry's direct premium written attained 5.2 percent growth, compared to 3.5 percent in the previous year (The Insurance Premium Rating Bureau), which can be classified by types of insurance as follows:

Motor insurance: experienced 2.1 percent growth, a slight increase from 2020, which was 1.4 percent, due to a positive factor of the total commercial vehicle and electric vehicle sales having a continuously growing trend though the overall total car sales in Thailand experienced a negative growth of 4.2 percent, over 2020 (Toyota Motor Thailand).

Marine insurance: has a high growth rate of 19.6 percent, compared to 2020, which shrank to 3.3 percent, due to the

global economy's steady revival following many countries' relaxation or cancellation of their lockdown measures and resumption of transactions of international commodity trading.

Fire insurance: experienced 3.5 percent growth, compared to 0.5 percent in 2020, owing to real estate market's receiving a positive factor of the Bank of Thailand's relaxation of its LTV (Loan to Value Ratio) measure until 2022 year-end, enabling financial institutions to release a housing credit more.

Miscellaneous insurance: achieved 9.4 percent growth, compared to 8.0 percent in 2020, still deriving a positive factor from people's more realization of health, coupled with a situation of the violent spread of COVID-19, causing a large number of people to purchase COVID-19 insurance, resulting in health insurance's growth rate of 18.5 percent. Nonetheless, non-life insurance companies had received an impact on its liquidity from a payment of a large amount of claims from COVID-19 insurance, making some companies unable to go on with their business.

Furthermore, there have been some types of miscellaneous insurance having a limit to an extension of work due to the spread of COVID-19, for instance, travel insurance, travel accident insurance for tour operators and guides, etc. Nevertheless, due to the global reinsurance market's constantly rising premium rates, such types of miscellaneous insurance as property insurance, public liability insurance, cyber insurance and professional liability insurance have increasing premium rates, causing a growing trend of miscellaneous insurance.

For Bangkok Insurance Public Company Limited, it has generated operating returns for 2021 higher than the target set, with a total premium written of Baht 24,510.99 million, a growth of 7.2 percent, compared to the year before. However, owing to its payment of a considerable amount of claims for COVID-19 coverage, the Company experienced a net income loss from underwriting of Baht 383.39 million, but when combined with net investment income and other income of Baht 1,498.25 million, the Company's total income before income tax deduction was Baht 1,114.86 million and the net income totaled Baht 1,055.88

million, or Baht 9.92 per share, a drop from the previous year, which was Baht 25.41 per share. The Company's Board of Directors' meeting on February 25, 2022, has approved a final dividend payment of Baht 5 per share for the year 2021. Therefore, in 2021, the Company had made total dividend payments of Baht 15 per share.

With its robust financial standing, the Company's Capital Adequacy Ratio (CAR), as at the end of September 2020, was 202.4 percent (standard criteria: not less than 120 percent). Moreover, two of the world's leading rating institutions, namely, the Standard and Poor's Institution (S&P) and the rating institution A.M. Best Company, have ranked the Company's financial strength rating as robust as that of the previous year, which is A-(Stable) and A-(Excellent) respectively, reflecting the Company's ability to generate sound operating results and constantly maintain robust financial status.

Reinsurance

The Company has conducted its business transactions in both outward reinsurance and inward reinsurance, based on the Non-Life Insurance Act, B.E. 2535, Article 31(2), revised based on the Non-Life Insurance Act (Volume 4) B.E. 2562, requiring a ban on an amount of outward reinsurance fund exceeding 10 percent of the capital fund, causing the Company to take outward reinsurance so as to raise its underwriting potential of a high value and reduce risk through a distribution of the Company's risk in the following patterns.

1. **Outward Facultative Reinsurance** is designed to cover single risks of defined packages of risks which reinsurance companies are independent of selecting work, being able to accept or reject all the same.
2. **Outward Treaty Reinsurance** is a contract by which reinsurance companies trust and give independence in allocating work to a company to take outward reinsurance. In this connection, the Company had made two forms of reinsurance contracts, namely, proportional treaty reinsurance and non-proportional treaty reinsurance.

Meanwhile the Company takes inward reinsurance from insurance companies, both inside and outside the country, in the form of inward treaty reinsurance and inward facultative reinsurance.

Underwriting Policy

In 2021, the Company had the following underwriting policy.

1. Consider underwriting based on risk and determine coverage conditions, premium rates and deductible appropriate to actual risk, focusing on work with low to medium risk. For high-risk work there will be consideration case by case and a risk survey will have to be made complementary to the consideration.

2. Strictly consider underwriting such natural disasters risk as earthquakes, floods and storms by defining a policy's liability limit in compliance with the level of risk in a particular area, including defining an initial liability appropriate to risk.
3. No price competition unworthy of risk.
4. Conduct a risk survey to assess risk, including strictly giving comments and following up risk improvement consequences based on time defined.

Loss Reserves

The Company has established its loss reserves consisting of reserves allocated for losses the Company has recognized, reserves for losses not reported, reserves for losses not recorded, development of future increasing/decreasing claims, and loss reserves for losses closed but may be revised once more, all using an actuarial method under the Office of Insurance Commission's declarations in the Non-Life Insurance Act (Volume 2) B.E. 2551.

Important Factors Affecting Opportunities or Limitations of Business Transactions in 2021

1. The continuous and all-year-round spread of COVID-19, particularly Omicron, which had spread at 2021 year-end, has caused the government of various countries, including the Thai government, to steadily resort to a policy of limiting international travel, with a short period of relaxation, making traveling and tourism still immensely impacted, significantly influencing insurance premiums derived from tourism business and related business.
2. The violent spread of COVID-19 in 2021 has resulted in over 2.1 million infected people in the country, causing an amount of claims for COVID-19 insurance in 2021, particularly a lump sum payment coverage of Baht 40,000 million, compared to a premium amount of only Baht 10,562 million (The Thai General Insurance Association), tremendously influencing operating returns of insurance companies distributing a COVID-19 insurance policy, including Bangkok Insurance.
3. The total car sales in the country has constantly declined, with a total sales amount of 759,119 cars in 2021, compared to 792,146 cars in the year before, a negative growth rate of 4.2 percent (Toyota Motor Thailand), affecting a motor premium, which has the highest ratio in the non-life insurance market.
4. An adjustment of a higher inflation rate due to expanding production costs and transportations incurred by an oil price rise and supply chain disruption, impacting consumers' purchasing power which is reflected from the household sector's debts of a high level.
5. A growing inflation rate has resulted in extending claims rates for such class of insurance as property insurance having higher construction costs due to a problem of the

shortage of labor force and an adjustment of a higher construction material price.

6. The number of commercial bank branches has a continuously diminishing trend due to consumers' behavior having a trend of conducting business transactions more via digital banking, together with the temporary closing down of many bank branches due the spread of COVID-19, directly impacting the Company's distribution of its policies over the counter Bancassurance.
7. The Bank of Thailand's retention of its low policy interest rates of 0.5 percent throughout the year, from 1.25 percent at 2019 year-end, aimed at helping the economic sector impacted by the spread of COVID-19, influencing the harder generation of investment returns.
8. An alteration of consumers' behavior in purchasing goods and services or conducting financial transactions more via an online channel helps to create new distribution channels for the Company's extension of its market, through its cooperation to become an ally with online business providers, aimed at finding a guideline for developing insurance products appropriate for those online businesses' customers and business partners.
9. A measure strictly limiting domestic travel in mid-year 2021 due to the violent spread of COVID-19 has resulted in a lower amount of a car travel, causing motor claims rates to drop continuously from the previous year, influencing rising insurance companies' gap in price competition for motor insurance distribution.
10. A tremendous growth of the country's amount of exports due to the global economy's revival, besides an extension of logistics business in the country in accordance with an expansion of the amount of online trading business, has had a positive impact on marine insurance.
11. The spread of COVID-19 has helped to create consumers' higher demand for some types of policies, for instance, health insurance owing to consumers' more awareness of health and burden on medical expenses, and cyber insurance due to rising cyber attacks stemming from mounting consumers' remote working and online transactions.
12. The prevalence of business transactions under an ESG concept and the government sector's supporting measure for the promotion of business relating to BCG (Bio, Circular, Green) has caused an opportunity for some types of businesses experiencing rapid growth, for example, the circular energy business and electric vehicle business, together with demands for a policy with coverage for liability of an organization, including its board directors and management, in case of an ESG violation, expected to receive the regulator's more severe penalty.

13. The widespread dissemination, via various media, of negative information of some insurance companies severely impacted by a burden on claims for a COVID-19 insurance policy, to an extent that the policy has been cancelled and premiums are returned to customers or the business is closed down, is likely to cause consumers to give more priority to a selection of insurance companies of high financial standing. In addition, agents and brokers of insurance companies of which business is closed down may have to transfer their work to those of robust financial standing, being able to generate customers' confidence.

Marketing and Competition

1. Major Policy on Marketing of Products and Services

The constant spread for the second year of COVID-19, particularly the spread of large waves at mid-year, had a tremendous impact on the Thai economy in myriad sectors, with a large number of businesses being unable to resume their normal operation, and a long lasting unemployment problem, resulting in a high level of the household sector's debts. Additionally, declining consumers' purchasing power has also caused shrinking, from the previous year, total sales of cars and real estate in the country, coupled with the Bank of Thailand's retention of a low and steady level of its policy interest rate throughout the year, causing a limited generation of investment returns. The most important is the number of Thailand's COVID-19-infected people is far higher than that estimated by insurance business, causing the latter to have to considerably bear the burden on a loss from underwriting a COVID-19 policy, influencing numerous insurance companies' underwriting profit rates and financial standing.

For the direct premium written, the non-life insurance industry can generate an increasing total premium written growth from the year before due to a considerable extension of a health premium incurred by the more violent spread of COVID-19 than in 2020, causing the currents of comprehensive demand for a purchase of COVID-19 insurance, reflected from the total sales of COVID-19 policy in 2021 of 14.8 million policies, compared to 9.2 million policies in the previous year (The Thai General Insurance Association). Besides, the government sector's investment still experiences sound growth, in compliance with the government policy on speeding up its budget spending as a factor stimulating the country's economic growth, benefiting insurance relating to construction projects, coupled with a steady adjustment of higher property premium rates in the global market in compensation for reinsurance companies' claims caused by a claim relating to COVID-19. Similarly, a situation of the global economy revival, particularly that of Thailand's

significant trading partners, is also a contributing positive factor to the country's exportation, coupled with an expansion of logistics business because of the popularity of consumers' online purchase, resulting in an immense growth in marine insurance.

For competition strategies popular among insurance companies in 2021 included the following.

- Cooperation to become an ally with various businesses so as to distribute insurance products to customers and those allies' business partners, giving both special discounts on premiums and free insurance, with short-term coverage of a one-month period, to allies' customers, aimed at deriving those customers' database as a basis for further extension of distributions of other classes of insurance.
- An extension of personal lines business markets through a distribution, free of charge, of insurance, with coverage for being allergic to a COVID-19 vaccination, to the general public. This, besides obtaining a good image, also provides a customer base as a basis for a subsequent expansion of insurance sales.
- Development of an online service channel or digital platform to provide a better service to customers and business partners, for example, development of a Mobile Application, Line Official Account, Website and Telemedicine. In addition, there is also development of services in support of such a large amount of work on customers' claims reports that insurance companies' original procedure of claims consideration cannot support. Likewise, a large number of insurance companies have developed a Back Office system, aimed at better efficiency and long-term reduction of operating costs, through an application of such technologies as Cloud, ERP, Robotic Process Automation, an AI system for an examination of car conditions prior to underwriting, etc.
- A design of insurance policies with coverage in line with consumers' lifestyle and new risk, for instance, insurance against diseases caused by too much use of a cell phone, surfskate insurance, insurance with coverage for those buying goods online, and insurance against a cyberbullying, with coverage for expenses for the elimination of contents in an online system and fees for a consultation with psychiatrists.
- Having an extra service and promotion for customers relating to the spread of COVID-19, such as a cleaning and sanitization service for insured homes, cars and establishments.
- Finding new allies for a more extension of online distribution channels in compensation for old ones affected by a measure for a limitation of travel during the spread of COVID-19, for instance, Boonterm Kiosk, Digital Brokers and E-marketplace.
- An application of an ESG concept as part of development of the Company's products, services and policies, for example, the promotion of gender equality through the development of policies for an LGBT customer group in particular.

For Bangkok Insurance Public Company Limited's guideline for operating performance in 2021, it had set a target on a total premium growth of Baht 24,000 million, an extension of 5.0 percent, over the year before, which is regarded as a very challenging target for the current situation. The Company has therefore defined its competitive strategies in compliance with the market's situations and consumers' demands in order to achieve the established goal as the following.

- Extending motor insurance work, through more application of a price strategy, in a segment with a continuously sound performance consequence, for instance, voluntary motor insurance 2+, due to a situation of the spread of COVID-19, causing a diminishing amount of car use, resulting in abating total motor claims rates and mounting gap in competitive price discounts. Nevertheless, there is still a strict measure, as usual, for the Company's consideration of its underwriting of high-risk motor types such as trucks and some types of pickup trucks.
- Expand a personal accident insurance and other health insurance market, other than COVID-19 insurance, aimed at being in accordance with demands of consumers more concern of health and medical expenses, focusing on issuing an economy insurance package with coverage appropriate to the current consumers' purchasing power.
- Expanding cyber insurance work for both a target group of corporate customers, who will have higher risk from an enforcement of the Personal Data Act in 2022 and burgeoning ransomware worldwide, and a target group of personal customers, for coverage of risk caused by purchasing goods online, financial transactions via online channels and an impairment of reputation incurred by cyberbullying. In this regard, the Company has managed its risk through a proper distribution of reinsurance.
- Cooperation to become an ally with business partners in various businesses, particularly digital platform entrepreneurs, aimed at distributing insurance to customer bases of those businesses, such as ACER, DTAC and AIS.
- Still focusing on developing a technology information system to help the Company's business partners, namely, agents, brokers and ally organizations to be able to extend their work more conveniently and reduce operating costs. For this year the Company has developed a Web Entry system, in which business partners' customers can fill in data to take new insurance or renew a policy by themselves, helping to reduce business partners' burden on data storage, apart from motivating them to issue an e-policy instead of an original policy in the form of documents, which, besides generating convenience for customers and business partners, also helps to diminish an amount of garbage and an impact on the environment.

- Develop services via the Company's online channels, aimed at their diversity and being in more response to customers' demands, both Line@bangkokinsurance and BKL iCare Mobile Application, for instance, development of Electronic Care Card for customers buying personal accident insurance and health insurance to replace a card, originally in the form of documents, showing the rights for a medical treatment, and the Inbound Voice Chatbot system for a service to customers phoning in. The automatic system will ask customers basic data and can send the data to related staff immediately, without having to hold on the line to talk to Call Center staff. Moreover, a system of online claims reports has been developed in support of a tremendous amount of a claim of COVID-19 insurance during the period Thailand is confronted with a situation of the violent spread of COVID-19, causing the Company to be able to make a payment of claims to customers rapidly in conformity with the time frame defined by the OIC.

Besides its strategies on market expansion and customer service provision, the Company has also focused on enhancing work efficiency and decreasing operating cost in the long term, which has been continuously implemented over the past several years. In 2021, the Company, in cooperation with Sapiens International Corporation Company, a world's leading insurance software developer, had implemented a Core Business System project, which was the design and development of a new work system in place of an old one via end-to-end solutions for groups of personal customers and corporate customers, as well as reinsurance, apart from the development of/a database system through the Oracle Exadata Cloud@Customer technology, which will allow the Company to access data more quickly and precisely.

The Company has also had a policy on encouraging its corporate customers to conduct transactions with responsibilities to society and the environment. In this connection, the Company has provided for a risk survey service for insured assets and premises to make a detailed assessment of deficiencies that may result in risk, through a team of over 20 risk survey engineers, using such advanced technologies as fire simulation, fire hydrant flow test, drone, thermoscan, etc., aimed at giving advice to high-risk customers on a guideline for diminishing their risk prior to the Company's underwriting agreement. This, besides helping customers

to derive cheaper premium rates, also helps generate safety and reduce damage and risk which may occur to personnel, surrounding communities and the environment. Similarly, for a group of customers of extremely high-risk industries, such as plastic, wood, paper and sugar, the Company has also organized, in particular, activities on a seminar relating to the risk prevention and guidelines for risk minimization for such group of customers.

2. Type of Customers

Personal customers are general individual customers, to whom the Company has offered its insurance products for coverage of personal properties, for instance, insurance for residences, motor insurance, personal aircraft and drone insurance, and insurance for damage to personal properties and reputations caused by cyber attacks. Furthermore, there are also insurance products for coverage of risk of one's life and health consisting of personal accident and health insurance, travel insurance, and insurance products for coverage of professional liability for medical doctors, engineers, organizations' directors and executives, etc.

Corporate customers comprise businesses ranging from small, medium to large, including government agencies. The Company has provided a wide variety of risk coverage services, such as fire insurance, motor insurance, marine insurance, including insurance for damage to a computer system or organization data from a cyber attack. In addition, there is also industrial all risks insurance for industrial factories, public liability insurance for office buildings, condominiums, department stores and service enterprises, a contractor of all risks insurance for customers doing construction and installment businesses, including aviation insurance.

Other customers include groups of subsidiary companies and customers of subsidiary companies, to which the Company has also provided all types of insurance services.

In this connection, most of the Company's customer bases are personal lines business, of which the Company has not depended a great deal on some major customers in particular. The ratio of direct premium written from the first 10 major customers is about 10 percent of the total Company's direct premium written throughout each year. As a consequence, it does not significantly influence the Company's operating returns if the Company loses those major customers.

Percentage of Total Sales of First 10 Major Customers

	2021 (%)	2020 (%)	2019 (%)
Ratio of First 10 Major Customers	10.6	10.1	9.2

3. Target Customer Group

Target customers are from numerous sources, for example, general customers, the private sector, the state enterprise sector, subsidiary companies, and groups of ally companies' customers, such as groups of Bangkok Bank's loan customers.

4. Distribution Channel

The Company's distribution channels are divided into 4 channels, from which the Company has its direct premium written appropriately distributed through each channel, not depending too much on certain channels, as the following:

Distribution Channels Classified by Written Premium Ratio

	Amount	Direct Premium Written Ratio (%)
Agents	2,393	21.0
Brokers	356	27.2
Financial Institutions	42	21.1
Direct Customers	-	30.7

4.1 Agents

The Company had, at 2021 year-end, agents totaling 2,393 people scattered in all regions of the country. The Company has a policy on motivating agents to work for it through a policy on developing agents' knowledge and capabilities for their professionalism, apart from providing for technologies in support of their convenient and rapid performance, as well as swift and fair claims management, rather than motivate them through higher remuneration than that of other companies.

The Company also gives priority to retaining firm relationship with its agents. In this connection, the Company's management will make visits and closely listen to its agents' problems and opinions, allowing their problems to be considered and solved promptly, generating ties between agents and the Company, resulting in the latter's ability to maintain an existing amount of its insurance work and motivate agents to consider raising the proportion of their submission of insurance work to the Company.

The Company has realized its agents' risk of not being able to perform in strict compliance with practice guidelines defined by the former, causing damage to customers and the Company's reputation. The Company has informed clearly, in writing, its agents, ranging from application steps to asking for cooperation to comply with its anti-corruption policy, apart from providing for an annual assessment of each agent's performance. For agents who are filed a complaint by customers or the Company's Internal Audit Office, if found guilty based on the complaint, they will be considered not passing the assessment criteria and a contract of being the Company's agent will be terminated immediately no matter many works they provide.

4.2 Brokers

The Company had, at 2021 year-end, a total of 356 juristic persons, both as domestic and multinational companies having a customer base of large business with great complexity of properties and conditions of insurance, for instance, petrochemical factories, airplane companies, and liability for various matters. Besides, the Company also had juristic persons emphasizing, in particular, a policy distribution via an online channel, with an increasing number becoming the Company's allies. In this connection, brokers will provide a comprehensive service to customers, ranging from an introduction of the type of insurance, being a representative of the insured in a request for claims, collect premium on behalf of the Company, which has a guideline for supporting its performance and activities retaining a close relationship with brokers, like those for agents.

In this connection, the Company has a major juristic person having a very high ratio of premium to the Company's total premium written, namely, TQM Corporation Public Company Limited, generating direct premium written, for the Company, of Baht 1,638.0 million, representing 6.7 percent of the Company's total premium written in 2021. The Company has realized the significance of this juristic person to the former's operating return and has sought a guideline for creating a strong relationship through having shareholding in TQM Corporation Public Company Limited, at the ratio of 2.37 percent, besides being its major shareholder having the eighth highest share (Data as at March 10, 2021).

4.3 Financial Institutions

The Company has sold insurance policies to personal lines business and Bangkok Bank's credit customers, including car dealers and leasing companies. The distribution of insurance policies in cooperation with Bangkok Bank is a significant channel the Company uses to extend its regional personal lines business base, including an expansion of the business sector customer base as well. The distribution of policies to the bank's customers has both the form of the Company's staff themselves offering a sale, and a sale offered by Bangkok Bank's staff, which has been offered to customers principally using services through the bank's counter. The Company has developed its policies to be appropriate to target groups, having the coverage and premium rate which are not complicated but easy for bank officers to sell, besides providing training in insurance knowledge to bank officers so that they are able to present policies to customers accurately. Nevertheless, currently, since there is a steadily dropping trend of the bank's customers using services via its counter, apart from an abating number of bank branches, the Company has been on its way to developing insurance products and connecting work systems in order to distribute its insurance policies through Bangkok Bank's mobile banking instead.

4.4 Direct Customers

These are customers who directly contact the Company to buy insurance and the Company directly provides services to and takes care of them. The Company has developed various distribution channels so as to gain access to as many direct target groups as possible, for example, BKL Care Stations in leading department stores across the country, and a continuous extension of provincial branches to numerous provinces in all regions of the country. In addition, in the current situation in which consumers have behavior of increasingly purchasing goods and services through an online channel, the Company has, therefore, developed a data presentation and policy distribution via an online channel, such as the Company's website, and a social media channel, namely LINE Official Account, apart from seeking business allies providing different digital platform services, aimed at co-developing insurance products appropriate for a distribution to those allies' customers and business partners.

For its large-scale customers who are organizations and institutions, the Company has had a Commercial Lines Business Unit for an extension of the market and provision of services to this customer group in particular, apart from an application of technology for customer relation maintenance (CRM) in support of the Company's employees in formulating a plan on a visit and an activity retaining sound relations with its customers.

The Company has also given priority to the development of its insurance products and distribution channels accessible to low-income groups, through an awareness of the significance of a financial guarantee for assisting these groups of people, aimed at their self-reliance, abating a burden to society and the government sector's assistance budget. In 2021, the Company had developed such economy products as personal accident insurance, with a 59-Baht premium and 60-day coverage, to be distributed through Counter Service in 7-eleven convenience store a channel accessible to low-income groups nationwide, apart from cooperating with the OIC in a project in a distribution of the New Year accident insurance policy for the 2022 New Year festival, with a 10-Baht premium and 30-day coverage. Besides, the Company has also cooperated to become an ally with its business partners who are digital platform providers having a customer base of a group of many low-income people, for instance, users of a mobile phone network service and small-scale digital credit providers, aimed at finding a guideline for the development of economy products for a distribution to these providers' customer group. The entire distribution and delivery of policies will be made via online channels, enabling the Company to cross a limit to the cost of a policy issuance, which, previously, did not allow it to distribute policies having short-term coverage and a very low price.

Furthermore, the Company has also realized the importance of SMEs to Thailand's economic system, as a group of businesses in large numbers and having a role in work employment and income generation for the country's large group of people. The Company has designed products with coverage and premiums appropriate to a distribution to a SMEs group, such as Ran-Kah-Oon-Jai insurance package, with coverage for a fire, burglary, theft, gang robbery and public liability for an accident in establishments. Similarly, currently, since myriad businesses increasingly face risk of a cyber attack, while the SMEs business has a limit of procuring personnel and investment in a Cyber Security system, the Company has designed cyber insurance products for the SMEs business, via a distribution to SMEs customer bases of such business allies as AIS and SRAN.

As a consequence of its efficient services and retention of a close relationship with customers, despite a period of the spread of COVID-19, the Company is able to maintain a high level of customers' satisfaction on its services, not different from the period prior to the spread of COVID-19, reflected from the result of a survey of customers' satisfaction on the Company's services for 2021, with a total level of satisfaction of 96.5 percent, based on a survey of a sample group of both personal and corporate customers of over 20,000 customers.

Competition in 2021

1. Nature of Competition in the Industry

In 2021, the non-life insurance industry had a total of 54 companies, most of which were medium and small. The insurance companies, with the first 10 highest-ranking premiums, had direct premium written ratio of 65.1 percent of the non-life insurance industry's total premium (source: Insurance Premium Rating Bureau).

The Company's Direct Premium Growth Rate Compared to the Market over the Past 3 Years

	2021	2020	2019
Bangkok Insurance Public Company Limited			
Premium written (Million Baht)	22,953	21,546	20,059
Growth Rate (%)	6.5	7.4	19.9
Non-Life Insurance Market			
Premium written (Million Baht)	265,849	252,618	244,055
Growth Rate (%)	5.2	3.5	5.2

Source: Data for 2021 from the Insurance Premium Rating Bureau, Data for 2020 from the Office of Insurance Commission.

The Company's Market Share over the Past 3 Years

Types of Insurance	2021		2020		2019	
	Rank	Market Share	Rank	Market Share	Rank	Market Share
Fire	3	13.0	3	13.5	3	13.5
Marine	2	11.6	2	11.0	2	10.5
Motor	3	6.2	3	6.4	3	6.2
Miscellaneous	2	11.6	2	11.3	2	10.8
Total	3	8.6	3	8.5	3	8.2

Source: Insurance Premium Rating Bureau

2. Status of and Potential for Competition

Though a competition in the non-life insurance industry is fierce and the Company has concentrated on a policy of cautious business transaction, not engaging in price competition more than necessary, Bangkok Insurance Public Company Limited has still been able to retain its being an insurance company having the third highest direct premium written over the past several years, as a consequence of customers' and business partners' trust and confidence in the Company since it has outstanding qualifications as the following:

1. Financial Stability

Though there was a payment of a considerable amount of claims, in 2021, the Standard and Poor's Institution (S&P) and A.M. Best Company had still ranked the Company's financial

strength rating with the scores of A-(Stable) and A-(Excellent) respectively. Additionally, the Company's debt to equity ratio is only 0.93 times, reflecting its stability and trustworthiness in an ability to carry out business transactions in the long term, being able to quickly and completely pay claims to customers, as well as any expenses to business partners.

2. Having Robust Business Allies

The Company is a business ally of Bangkok Bank Public Company Limited, which has a customer base of over 17 million accounts, and besides having over 1,100 branches nationwide, the country's commercial bank's largest branch number, the Company also has a policy on a constant expansion of its channels of services and product distribution through Mobile Banking,

Banking Agent and other online channels. In this regard, Bangkok Bank is regarded as a tremendously significant channel for an insurance work expansion, both for a premium for the insurance of large-scale assets from credit customers who are business organizations, and for a premium from personal lines business via Bangkok Bank and online channels. Furthermore, Bangkok Bank also has branches in 8 countries in ASEAN, including Permata Bank in Indonesia, in which Bangkok Bank has major shareholding, having over 250 branches across Indonesia, helping to generate an opportunity for the Company's business extension to those countries, many of which have a high economic growth rate and rapidly expanding non-life insurance business.

3. Robustness of Bangkok Insurance Brand

Based on its financial strength, making a quick and fair claims payment to customers and business partners, such as garages and hospitals, besides being a close ally of Bangkok Bank Public Company Limited, which is one of the largest banks in the country, the Company has had a sound and apparent image in terms of stability, reliability and trustworthiness throughout from customers and business partners coming into contact with its services, creating a high level of their brand engagement and word-of-mouth recommendation, reflected from a policy renewal rate of a high level.

In addition, the Company has endeavored more to create an image and recognition of Bangkok Insurance brand among target groups who are adolescents and of early working ages, since these groups of people will become target groups of potential for the distribution of insurance products in the future, through carrying out a wide variety of marketing communication activities, including augmenting communication channels of the Company's brand and products in compliance with these consumer groups' media-receiving behavior, for instance, communication via social media, or an advertisement in online media. At the current time when negative information can be easily and swiftly disseminated through various social media, the Company has closely followed up data and opinions relating to the Company in myriad social media. When negative data has been found to start being disseminated in social media, the Company will hurry to find the cause of that negative opinion in order to quickly correct it and explain to the public.

4. Employees of High Competency

The Company regards its employees as its most valuable resource and thus gives importance to the consistent development of employees' knowledge and skills, as well as retains competent employees with the organization. The Company has a low turnover rate, compared to the industry's average, contributing to the Company's majority of employees' long working experience and

ability to constantly transfer knowledge and experience from generation to generation, resulting in efficient customer services.

Based on the swiftly changing competitive circumstances at the current time, the Company's employees have been constantly instilled to be aware of the significance of keeping pace with changing circumstances, besides being flexible in an adjustment of their way of thinking and working in conformity with changing consumers' behavior and competitors' competitive strategy.

5. Advanced Information Technology System

The Company has constantly given importance to investing in its information technology throughout, covering giving priority to storage of data of customers, business partners and the Company's operating activities in the form of a big data. This is tremendously useful for the analysis of those data to get information to support the Company's executives' decision-making which is accurate, swift and timely and generates its competitiveness. Additionally, the Company has specifically established a new work unit on digital technology, taking charge of the analysis and procurement of digital technology most appropriate to customers' demand, including inventing new technological innovations that allow the Company to provide more outstanding services, compared to its competitors in the industry, to customers and business partners, besides reducing the Company's operating costs.

The Company has also given priority to the protection of customers' personal data through the development of a technological system to safeguard customers' personal data and financial data from a cyber attack. Moreover, the Company has also invested in a data storage system and work system favorable to its employees' remote working, aimed at creating its business continuity during the ceaseless spread of COVID-19, through the Company's ability to have the majority of its employees work from home since the beginning of the spread in the previous year, while still being able to maintain its capacity to provide services to customers and business partners efficiently, generating confidence among them no matter when an unexpected event occurs, to ensure the Company's retained potential of continuous business transactions and services.

6. Variety of Distribution Channels and Customer Bases

Based on its long experiences in the non-life insurance industry, robust level of fund and staff of profound knowledge and competency, the Company has been able to sell a wide variety of its insurance products in response to the demand of myriad customer groups, which is beneficial to the Company, which can extend its work to both the mass market and niche market which requires specific knowledge and expertise, and a strong reinsurance network.

In addition, the Company's direct premium written has also come from various distribution channels, not focusing on a particular channel, which will have a tremendous impact if an obstacle arises to that channel, the same as a constantly increasing premium ratio from personal lines business, aimed at reducing risk incurred by dependence on large-scale commercial lines business which will significantly affect the Company if it is to lose either one of them. At present, the Company gives importance to an extension of its personal lines business market via an online channel, in compliance with customers' current behavior. The extension has been made through both an online channel developed by the Company itself and being an ally with its business partners expert in distribution via an online channel. Similarly, the Company has sought allies who are digital platform providers in order to extend its insurance work through those allies' customer bases and business partners.

7. Retention of Being an Organization of Sound Morality

The Company has a robust organization culture based on the "Your Caring Partner" concept, which focuses on customer centricity and takes into account customers' maximum benefit as the most important, with which all levels of employees have been steadily instilled and attached to as a guideline for their performance. Similarly, the Company has defined its policy on fair treatment of its customers for employees to use as their performance guideline to ensure customers that the Company will attach to fair services, leading to customers' greatest benefit. This policy ranges from determination of premiums and policy conditions principally taking into account customers' benefit, offering a sale which has to present significant data accurately and completely, provision of measures protecting customers' personal data, to a complete and strict payment of claims in conformity with an insurance contract, apart from defining a procedure for receiving and managing customers' complaints as well. In this connection, each of the Company's new employee has to have a training course on the Code of Conduct and pass an examination measuring his/her knowledge and understanding, as defined by the criteria.

In addition, activities helping society in various aspects, which the Company has carried out constantly over a long period of time through the Bangkok Insurance Foundation, reflect its being an organization of sound morality, having responsibilities and attention to communities and societies where it has conducted business transactions. In 2021, when Thailand was still continuously confronted with the spread of COVID-19, the Company still focused on giving a medical and public health support by presenting ventilators and medical equipment to various hospitals, including carrying out a presentation of life-saving equipment project in collaboration with the FM91.0MHz., as in the year before.

Procurement of Products and Services

Type of Acquisition of Products

1. Provision of Loans

Loan Policy

The Company has a policy on extending mortgage loans or those having a person as collateral security, with loan conditions in compliance with those defined in the Office of Insurance Commission's declarations on Non-Life Insurance Companies' Investment in Other Business B.E. 2556 and a revised volume. In this regard, the Company will consider providing its loans cautiously and carefully, including an ability to repay loans, both the principal and interest, and reception of returns appropriate to risk.

For consideration of loans extended to real estate development projects and small-scale borrowers, there are significant factors to be considered, for instance, using loans in accordance with an objective of loan requests, borrowers' record and ability to pay back loans, through consideration of cash flows from an operation, borrowers' capitals or assets, besides factors impacting their income, such as economic conditions, including loan conditions. Additionally, the Company has also given priority to assets which borrowers use as collateral security must be of sound quality, with a value higher than an amount of debt, aimed at the prevention of a fluctuation of those assets' prices. In the case debtors cannot pay back their loans, the Company will put up those assets for auction, as required by laws.

As to an evaluation of prices of real estate to be used as collateral security, or other assets used as collateral security, the Company has practiced in conformity with the criteria, methods and conditions in the Office of Insurance Commission's declarations on Evaluation of Prices of Non-Life Insurance Companies' Assets and Liabilities B.E. 2554, namely, applying a value estimated by an asset evaluation company which is not involved with the Company in the same manner as a person involved with the Company's board director, in accordance with the Office of Insurance Commission's declarations on Persons Relating to Non-Life Insurance Companies' Board Directors B.E. 2552, as well as has practiced in compliance with the Office of Insurance Commission's declarations on Non-Life Insurance Companies' Investment in Other Business B.E. 2556 and a revised volume. In the case that borrowers are ordinary people buying real estate as a living place, the prices of a housing estate project may be applied.

Management of Loan Provision Risk

Providing loans has risks consisting of external risk factors such as economic conditions both inside and outside the country,

and internal risk factors such as the standard of credit consideration, credit concentration, credit analysis officer's experience, etc.

The Company has been aware of the significance of management of such risks and has therefore defined regulations and practice procedures for loan taking and doing legal acts, through the determination of analysis procedures and approval of loans. Officers responsible for an analysis of borrowers' credit risk have to perform according to the criteria for sound and safe borrowing, defining an amount of loan, including having step-by-step and clear procedures for loan approval.

The performance on contract documents includes an arrangement for documents to do legal acts correctly and completely, as well as safe storage of contract documents and collateral security based on sound performance standards, besides a regular examination. Furthermore, the Company has also steadily reviewed and followed up groups of customers' credit quality through consideration of an alteration of economic conditions both currently and in the future. The Company has instilled in performers of this work an understanding and practices in strict compliance with laws, orders, and rules and regulations, attaching to the code of conduct for duty performance, apart from consideration of loan provision based on sound standards.

2. Investment Capital

Policy on Investments in Securities

For investment in securities, the Company has an investment policy principally focusing on the security of investment capital, by considering returns appropriate to an acceptable level of risk. In this regard, the Company has reviewed its investment policy and strategy in accordance with the circumstances. Concerning the Company's investment in securities, it can be divided into 3 major parts as the following. The first part is investment in short-term financial instruments with high liquidity, being able to be changed into cash quickly, such as deposits in financial institutions, notes and the Bank of Thailand's short-term bonds. The second part is investment giving regular income, such as government bonds, state enterprise bonds, debentures. The final part is investment in equity securities, both listed and non-listed securities, including investments in funds, such as equity funds, property funds, real estate investment trust and infrastructure funds. In addition, the Company has invested with the aim to do other business and has invested in foreign countries by cooperating with foreign allies having knowledge, understanding and being very expert in non-life insurance business, and with local co-investors, focusing on investing in ASEAN countries, apart from having a policy of extending its investment abroad when an opportunity opens and the time is ripe. In this connection, the Company's investment is considered

based on conditions defined in the Office of Insurance Commission's declarations on Non-Life Insurance Companies' Investment in Other Business B.E. 2556 and a revised volume.

Apart from this, the Company has also given importance to investment in companies having a guideline for sustainable business transactions, with consideration of factors of Environmental, Social, Governance (ESG). Currently, the Company has invested in this group, for instance, listed securities, non-listed securities and debentures, apart from investment funds having a policy on business transactions in accordance with the sustainability guideline. The Company has required its analysts to consider an ESG guideline for their analysis, decision to select investment and follow up efficient investment, which will bring sound and sustainable returns for all parties of stakeholders.

Investment in Equity Securities

can be classified based on investment types as the following:

1. Strategic Investment is investment in business related to and supporting the Company's business, which is the promotion of its performance and growth, via co-investment or a purchase of shares of both listed and non-listed companies, including investment in insurance business in foreign countries.
2. Long-term Investments in Securities is investment in buying or selling stocks in stock exchanges by considering fundamental factors of long-term growth potential, having an ability to make profits and possessing robust financial standing under fluctuating economic conditions. The investment policy is to occupy securities for long-term investment, with an expectation to receive dividends and capital gains.
3. Short-term Investment in Securities is also investment in buying or selling stocks in stock exchanges, but concentrates on buying or selling with expectations of capital gains, through principally considering not only fundamental factors of affairs but also the economic situations, marketing and industrial conditions, including other macro factors at the moment.

Investment in Debt Securities

can be classified based on types of debt securities issuer as follows:

1. Investment in government bonds and state enterprise bonds, both having and not having the Ministry of Finance as a guarantor. The Company will consider the coupon rates, yields, market yields and bond age, to be in accordance with the Company's demand for liquidity.
2. Investment in private debentures. The Company has a policy on investment in quality debentures of secure and reliable business, through consideration of such data as types of debentures, including order of rights to be paid back debts, debenture age, coupon rates, order of reliability of debentures and/or issuers, and objectives of debentures issuance, giving

priority to ESG. In this connection, issuers have to be companies of robust financial standing and reputation acceptable to investors, with financial strength rating of no less than the investment grade, group of executives having a good record and transparency, and debentures having liquidity in case of having to be sold before redemption is due.

The Company generally occupies most of its debt securities until a due period. Nevertheless, the Company has made allowances for a sale of debentures before they are due by considering interest rate risk from an anticipation of a future trend of interest, which is a factor impacting the volatility of the value of debt securities, including impairment of opportunities for future investment in debt securities having higher interest in case of an adjustment of a higher interest rate. On the other hand, the Company has put such bonds and debentures as a back-up asset and financial reserve to the Office of Insurance Commission too. Accordingly, for the amount of investments in securities, the Company has to regularly consider the adequacy for such demands.

Management of Risk of Securities Investment

Based on the basic principle of finance and investment, investment with high returns inevitably has high risk but risk can be minimized and managed to an appropriate and acceptable level. The Company has defined the frameworks of its investment policy and policy on doing other business deriving its Board of Directors' approval, apart from having an obvious investment plan and performing in compliance with regulations and practice methods relating to investment in securities, which has defined the authority and duties and guidelines for responsibilities of employees, ranging from operational staff, those responsible for investment sections, to the Investment Committee. The Company has a work unit responsible for investment in particular, namely, the Corporate Investment Office.

For personnel performing on investment, the Company has given priority to their knowledge, capability and quality, through development of personnel's potential both in the short-and long-term. The Company has sent its personnel for training and seminar on various topics concerning investment in securities, and courses relating to work directly under their responsibility, aimed at generating their knowledge and skills, which will result in more efficient performance on investment. Besides, the Company has its staff, possessing educational qualifications and related experiences and having passed the Certified Investment and Securities Analyst (CISA) Level 3 course, oversee the Company's investment section, in compliance with the registrar's declaration's requirements.

The Company has comprehended the principle of risk management and has applied a policy of investments management to which it has attached and practiced throughout, to minimize risk that has occurred, for instance, choosing to invest in stocks with sound fundamentals and robust financial standing, culling stock universe, including having asset allocations and diversification based on asset types and business classes, apart from following up and reviewing investment appropriateness so that it is always up-to-date.

The Company has cautiously defined procedures for consideration of investment, through consideration of economic factors which may have an impact on the instruments in which it will invest. The Company realizes that using complete data and scrutinizing in all aspects will help to minimize investment risk. In this regard, the information and data the Company uses to support its investment analysis and management are data compiled from outstanding and reliable economic agencies, research institutes, apart from stock companies and financial institutions both inside and outside the country, including Bloomberg, aimed at expectations of economic trends and consideration of impacts occurring at the global, regional, national, industrial and organizational levels, or impacts on stocks invested.

For its equity securities, the Company has focused on long-term investment to reduce the fluctuation of investments values, marketing factors and others. The stock analysis has applied such fundamentals as an analysis of the economic and industrial conditions, as well as the Company's financial standing and operating performance consequences, aimed at being used to define stock values, besides an assessment of investment risk, focusing on the companies taking into account the Environmental, Social and Governance (ESG), which are companies ranked in a list of Thailand Sustainability Investment (THSI).

As to its debt securities, the Company has chosen to invest in government bonds and state enterprise bonds with low risk, including investment in debentures issued by private companies. Currently, the Company has invested in Green Bonds, in support of a reduction in global warming, nonetheless, all the bonds have to possess an investment grade only. In addition, the Company has managed remaining average age of its debt securities, weighted with duration, to be in accordance with a changing trend of interest rates in the market, including with the Company's future obligations.

Similarly, the Company has also steadily followed up and made an assessment of its performance so that it is in compliance with the formalities, policies and related laws, apart from instilling its staff to strictly attach to the code of conduct and perform in conformity with the Investment Code (I Code).

3. Sources of Funds

As at December 31, 2021, the Company had significant sources of funds of owners' equity, possessing registered and paid-up capital of Baht 1,064.7 million, consisting of stocks of 106.47 million shares valued at Baht 10 per share. The Company also had share premium of Baht 1,442.5 million, appropriated retained earnings as legal reserve of Baht 106.5 million and other reserve of Baht 7,000.0 million, unappropriated retained earnings of Baht 4,748.9 million, and the owners' equity's other components of Baht 18,455.5 million.

The Company had net cash from operating activities totaling Baht 2,333.6 million, which came mainly from direct premium written and investment income.

4. Sources of Funds Used

In 2021, the Company had net cash used in investing activities totaling Baht 140.9 million, such as property, premises and equipment amounting to Baht 53.5 million, and non-existent assets totaling Baht 87.4 million.

In addition, the Company also had net cash used in financing activities totaling Baht 1,772.5 million, through a dividend payment of Baht 1,705.5 million and debt payment under lease agreements of Baht 67.0 million.

5. Ability to Maintain Ratios Based on Business Type

In 2021, the Company had a total written premium of Baht 24,511.0 million, a growth of 7.2 percent, over the year before. The fire, marine and miscellaneous premiums experienced an extension, while marine hull insurance and motor insurance had a negative growth rate. The miscellaneous premium had a ratio of 51.8 percent of the total written premium, a rise of 11.7 percent over the previous year, due to the growth of premium from Broker Business Unit, and COVID-19 insurance work via Agent Business Unit. The motor premium had a ratio of 38.0 percent of the total written premium, a 0.2 percent negative growth rate, compared to the year before. Meanwhile, a total written premium for other classes of insurance, except miscellaneous insurance and motor insurance, accounted for 10.2 percent, an expansion of 15.5 percent, compared to the previous year.

Written Premium Classified by Types of Insurance

(Million Baht)

Type	2021	Distribution %	2020	Distribution %	2019	Distribution %
Fire	1,724.3	7.0	1,557.9	6.8	1,525.0	7.2
Hull	56.8	0.2	60.1	0.3	44.3	0.2
Cargo	725.7	3.0	552.1	2.4	560.0	2.7
Motor	9,317.7	38.0	9,333.9	40.8	8,989.7	42.8
Miscellaneous	12,686.5	51.8	11,354.2	49.7	9,889.9	47.1
Total	24,511.0	100.0	22,858.2	100.0	21,008.9	100.0

Concerning the Company's loss ratio in 2021, it was 72.1 percent, higher than that in 2020, which was 56.4 percent. The loss ratio rose by 15.7 percent as a consequence of growing claims of Baht 2,608.3 million, or 31.2 percent, compared to the previous year, due mainly

to a high rise in claims from COVID-19 policy, causing miscellaneous claims to extend from 45.7 percent to 114.5 percent in 2021, while the net written premium and earned premium rose by 5.2 percent and 2.6 percent, respectively, over the year before.

Loss Ratio on Underwriting

(Million Baht)

Type	2021			2020			2019		
	Earned Premium	Claims	Loss Ratio (%)	Earned Premium	Claims	Loss Ratio (%)	Earned Premium	Claims	Loss Ratio (%)
Fire	1,050.8	456.8	43.5	1,020.1	261.2	25.6	1,058.1	136.0	12.9
Hull	8.0	2.3	29.1	6.9	3.2	46.2	6.0	1.9	31.7
Cargo	246.5	55.8	22.6	237.1	56.9	24.0	237.6	93.2	39.2
Motor	8,865.5	4,665.0	52.6	9,036.9	5,974.2	66.1	7,713.5	5,057.2	65.6
Miscellaneous	5,066.1	5,800.4	114.5	4,543.7	2,076.5	45.7	4,168.4	1,840.5	44.2
Total	15,236.7	10,980.3	72.1	14,844.7	8,372.0	56.4	13,183.6	7,128.8	54.1

6. Liquidity

Policy on Liquidity Management

The Company has a policy on liquidity management by managing a balanced and concurrent cash flow received and cash flow paid, in which the Company will maintain minimization of its liquidity in the form of cash, but sufficient for a payment, based on an obligation, definitely defined. Other portion of liquidity is in the form of short-term investment as a reserve for other expenses that may occur unexpectedly, or a schedule is known but an amount cannot be identified. The Company has allocated sufficient cash and liquid assets in support of payments of claims due to the spread of COVID-19.

To generate the greatest benefit for the Company's liquidity management, the following factors are considered.

1. Evaluation of Cash Flow Received and Cash Flow Paid

For cash flow received, the Company has accelerated its debt collection efficiently and has increased channels for premium payments to give convenience to its customers, business partners, agents and brokers so that they can make payments to an account rapidly via commercial bank channels and other channels. As to investment income, such as interest income, dividend income and loan payments on an installment basis, they can be evaluated with certainty in terms of the amount and payment date. Liquidity managers will apply such data and their own experiences to the efficient management of cash flow, in accordance with demands for liquidity, besides using remaining cash for investment to seek proper benefits in return.

2. Management of Investment Capital

The Company will occupy appropriate liquid assets in response to demands for cash used in the Company's activities. Liquid assets in this portion, for instance, cash and deposits in financial institutions, through the management of a due period of deposits in financial institutions in each month, as appropriate, including investment in the Bank of Thailand's short-term bonds, for which an auction and due date are clearly defined and which have high liquidity. If a demand for use of cash exceeds an estimated amount, the Company still have stocks required by the market, with high liquidity and an ability to be realized as cash immediately.

Furthermore, the Company has also had sources of short-and medium-term funds in response to demands for circular cash, such as Bangkok Bank Public Company Limited's overdrawn amount and short-term loan, from which the Company will withdraw as necessary. Such amount is another supporting instrument to counter a problem of lack of liquidity efficiently.

Assets Used for Business Transactions

Major Permanent Assets

Property and premises, as at December 31, 2021, the Company has ownership of property of 45 plots, totaling Baht 221,158,772, while premises, complex buildings and real estate for investment amounting to Baht 268,604,332. In addition, the Company has made a lease contract for property of 5 rais and 92 square wahs, located at 25 Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok from YWCA Bangkok since October 1994, with a lease period of 33 years. Currently, there remains a 6-year lease period. The property is the location of the Company's headquarters.

Detail of Assets Evaluation

The Company has not made any interrelated items concerning buying or selling its assets, of which the prices have been evaluated, and has had no acquirement nor disposal of assets which has to be reported to the Stock Exchange of Thailand during 2021.

Report Not Submitted

- None -

General Data and Other Significant Data

Other Significant Data

There is no other significant data which may have a significant impact on investors' decision making.

Legal Dispute

The Company does not have legal disputes nor litigation cases in any respects which may negatively affect the Company's assets, exceeding 5 percent of equity as at the most recent accounting year-end, or significantly impact the Company's business transactions, or does not stem from the Company's regular business transactions.

REPORT OF THE COMPANY'S OPERATIONS

Operation and Financial Status of the Company for the Year 2021

For 2021, the premium written income for all classes of insurance rose by 7.2 percent to Baht 24,511.0 million, compared to 2020. Marine hull insurance and miscellaneous insurance achieved the highest growth rates of 27.8 percent and 11.7 percent, respectively, compared to 2020.

In 2021, the net underwriting experienced a return of Baht 645.9 million, a decrease of Baht 2,227.2 million, or 77.5 percent, over 2020, resulting from a rise in claims of Baht 2,608.3 million, representing 31.2 percent, compared to 2020, due mainly to a tremendous increase in claims for COVID-19 underwriting incurred by a situation of the spread of COVID-19 which caused a mounting number of infected people requesting claims.

The net investment income and other income in 2021 was Baht 1,498.3 million, a growth of 10.1 percent, over 2020. When combined with a profit from underwriting, subtracted by operating expenses and financial costs, the Company's total income before income tax deduction was Baht 1,114.9 million, a drop of 65.3 percent. After income tax deduction, the net income totaled Baht 1,055.9 million, a decline of 61.0 percent, compared to 2020, or Baht 9.92 per share, compared to Baht 25.41 per share in 2020.

The Company has already made, for the year 2021, three interim dividend payments of Baht 3.50 per share for the first and second dividend payments, and Baht 3 per share for the third dividend payment. The total dividend payment was Baht 10 per share. The Board of Directors proposed to the shareholders to consider and approve for the final dividend payment for the year 2021 at Baht 5 per share, so the annual dividend payment for the year 2021 shall be Baht 15 per share. The proposed final dividend payment is subjected to the approval of 29th Annual General Meeting of Shareholders.

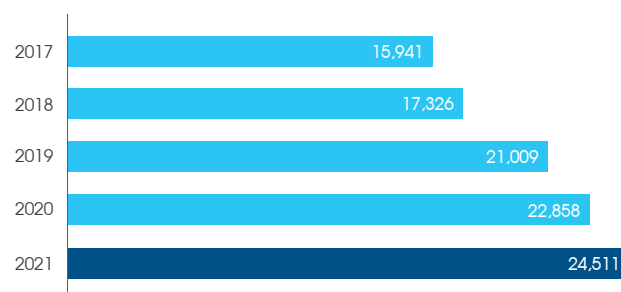
Based on the financial statements as at December 31, 2021, the total assets of the Company amounted to Baht 63,499.8 million, a rise of 6.7 percent from Baht 59,503.8 million in the previous year. This was accompanied by a significant alteration in assets, particularly a growth in investments in securities, cash and cash equivalents, net reinsurance assets, and refunded juristic person

tax of Baht 2,623.4 million, 420.2 million, 370.3 million and 338.9 million, respectively.

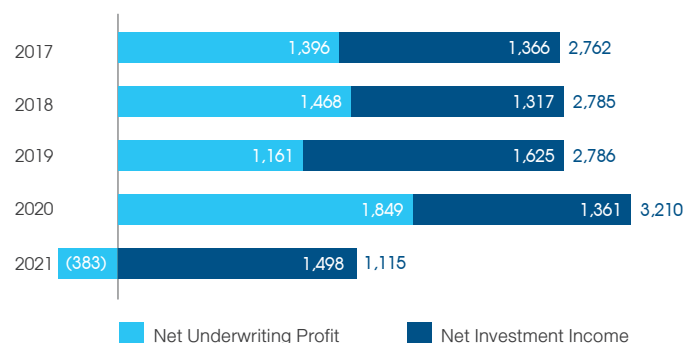
Liabilities at 2021 year-end totaled Baht 30,681.7 million, a growth of Baht 1,521.0 million, or 5.2 percent, over 2020. A significant change was an expansion in deferred tax liabilities, insurance contract liabilities, and due to reinsurers of Baht 732.4 million, 658.4 million and 450.9 million, respectively.

Owners' equity on December 31, 2021, equaled Baht 32,818.1 million, a rise from Baht 30,343.0 million, or 8.2 percent, in 2020. Significant components were an increase of Baht 3,099.2 million, or 20.2 percent, in other components of owners' equity, and a decline of Baht 624.2 million, or 11.6 percent, in unappropriated retained earnings.

Total Premium Written (Million Baht)



Profit (Loss) before Income Tax (Million Baht)



Operating Performance by Classes of Business for the Year 2021

Fire Insurance

In 2021, the Company registered Baht 1,724.3 million in written fire insurance premium, a rise of 10.7 percent over 2020. The increase in premium written was due mainly to a growth from Agent Business Unit.

The net premium written amounted to Baht 1,154.1 million, an expansion of 15.4 percent, with the Company taking a retention of 66.9 percent, compared to 64.2 percent in 2020. The loss ratio in 2021 was 43.5 percent, a rise from 2020, which was 25.6 percent. As a result, the Company's fire underwriting returns in 2021 dropped by 56.5 percent to Baht 202.7 million, compared to 2020.

Marine Insurance

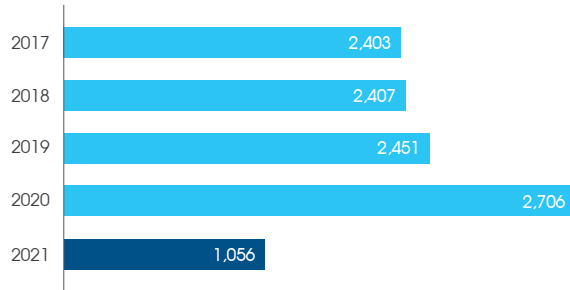
- **Hull** In 2021, the Company registered a total of Baht 56.8 million in written marine hull insurance premium, a diminution of 5.5 percent over 2020. This was due mainly to a drop in the premium from Broker Business Unit.

The net premium written amounted to Baht 8.3 million, an increase of 12.2 percent from 2020. This was thanks to the Company's retention of 14.6 percent in 2021, compared to 12.3 percent in the previous year. As a consequence of the Company's underwriting in 2021, the loss ratio was 29.1 percent, a decline from 46.2 percent over 2020, resulting in the Company's underwriting profit of Baht 11.7 million in 2021, a rise of Baht 1.6 million, or 15.8 percent, from the previous year.

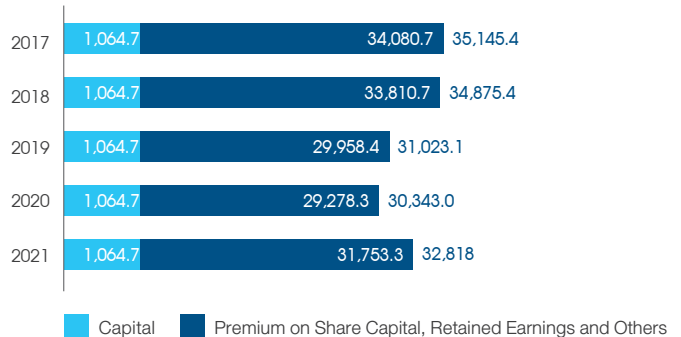
- **Cargo** In 2021, the Company registered Baht 725.7 million in written marine cargo insurance premium, an extension of 31.4 percent over the year before. This was due to an increase in the premium from Financial Institution Business Unit and Broker Business Unit.

The net premium written totaled Baht 253.1 million, an augmentation of 10.0 percent, due to the Company's retention reduction from 41.7 percent in 2020 to 34.9 percent in 2021. The loss ratio in 2021 dwindled to 22.6 percent, compared to 24.0 percent in 2020, resulting in the Company's underwriting profit of Baht 146.8 million in 2021, a growth of 29.1 percent from the year before.

Net Profit after Income Tax (Million Baht)



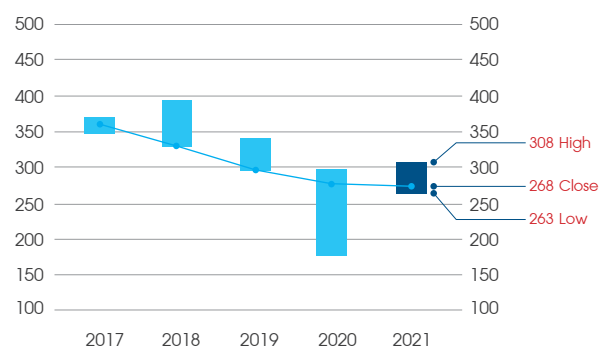
Owners' Equity (Million Baht)



Dividends (Baht)



Development of Share Prices (Baht)



Motor Insurance

In 2021, the Company registered Baht 9,317.7 million in written motor insurance premium, a slight drop of 0.2 percent over 2020. This was due to an expansion of its business through Financial Institution Business Unit which had projects with some of its business partners, and through Agent Business Unit, most of which can retain its customer base. In this connection, there was a shrinking growth rate from Personal Lines Business Unit and Broker Business Unit, compared to the previous year.

The net premium written amounted to Baht 8,937.2 million, a decrease of 1.0 percent over 2020. In 2021, the Company's retention was 95.9 percent, a drop of 0.8 percent over 2020. The loss ratio abated from 66.1 percent in 2020 to 52.6 percent in 2021, similar to the expenses ratio which dwindled from 25.9 percent in 2020 to 24.7 percent in 2021, resulting in the Company's underwriting profit of Baht 2,013.2 million in 2021, a rise of 177.6 percent from the year before.

Miscellaneous Insurance

Miscellaneous insurance consists of five major categories: General Accident, Engineering, Personal Insurance, Aviation, and All Risks. In 2021, the Company registered Baht 12,686.5 million in written miscellaneous insurance premium, a rise from Baht 11,354.2 million, or 11.7 percent, in 2020. The growth in the direct premium written was due to all risks insurance via Broker Business Unit, and Commercial Lines Business Unit, as well as personal accident insurance and health insurance via Agent Business Unit, particularly from COVID-19 insurance premiums.

The net premium written for all categories totaled Baht 5,222.4 million, an increase of 15.0 percent over 2020. The Company's retention was 41.2 percent in 2021, a rise from 2020, which was 40.0 percent. The overall loss ratio expanded from 45.7 percent in 2020 to 114.5 percent in 2021 due mainly to an immense growth of claims from COVID-19 underwriting, stemming from a situation of the spread of COVID-19. Consequently, the Company's underwriting loss in 2021 amounted to Baht 1,728.5 million, a drop of 210.9 percent from its underwriting profit of Baht 1,558.1 million in 2020.

Underwriting Expenses

Underwriting expenses consist of net claims, commission and brokerages, and other underwriting expenses. The Company's underwriting expenses totaled Baht 16,208.3 million, representing a rise of 19.1 percent over 2020. The claims and expenses on claims management incurred during 2021 rose by 31.2 percent from the previous year. Similarly, commission and brokerages grew by 5.8 percent, while other underwriting expenses dropped by 7.6 percent over the previous year.

In 2021, the Company's all classes of direct premium written amounted to Baht 22,952.5 million, a growth of 6.5 percent over 2020. The Company's market share in 2021 was 8.6 percent, an increase from 2020, which was 8.5 percent and could retain the third rank in market share as in the year before. The ratio of 50.3 percent from the miscellaneous insurance premium had a growth rate of 12.4 percent, resulting in 11.6 percent miscellaneous premium market share in 2021, an increase from 2020, which was 11.3 percent. The ratio of 40.5 percent from the motor insurance premium had a market share of 6.2 percent in 2021, an abatement from 2020, which was 6.4, while fire insurance and marine insurance had market shares of 13.0 percent and 11.6 percent, respectively.

Factors or Incidents which may Significantly Affect Financial Status and Operations in the Future

External factors

1. A trend of risk of natural disasters has become higher in terms of both damages and frequency of occurrences due to a problem of climate change, resulting in higher risk of natural disaster underwriting and premium rate in the global market.
2. There is a higher and continuous trend of risk of a cyber attack for businesses due to a rise in remote working and a connection of equipment and machinery to the Internet of Things system, apart from the advent of such new technologies as Metaverse and Cryptocurrency, which makes consumers connect with the Internet system more which in turn results in higher risk of the assets insured unless there is an obvious determination of an exception to the responsibility. Meanwhile it results in a good opportunity to extend a cyber insurance market.

3. There is a trend of steady growth of the number of electric cars (EV) in Thailand due to the government sector's support, which will cause a change in insurance companies' risk pattern and guideline for claims compensation.
4. Development of autonomous cars, as well as sensors and detection equipment for accident reduction, including an adjustment of businesses' work pattern to hybrid working has a trend of permanent existence though the spread of COVID-19 may terminate some time, which will result in a lower trend of the number of car accidents in the future, leading to a reduction in motor premium rates, and the insurance industry's ratio of motor premium to a total premium.
5. The standard of accounting and financial report, volume 17 (IFRS 17), which will be enforced on the insurance industry in the future, will influence the Company's operating return figures due to a change in the recognition method of income, as well as profit/loss.
6. Owing to a situation of the spread of COVID-19 which has far more number of infected people than in 2020, some insurance companies had distributed a COVID-19 insurance policy beyond their capacity to take a risk, which caused them to close down their business, resulting in a diminishing number of competitors in the insurance market. It is anticipated that consumers will be less sensitive to prices and focus on purchasing insurance from established insurance companies rather than considering only premium rates, which will have a sound impact, in the long term, on companies with an image of high security, like Bangkok Insurance.
7. The number of Bangkok Bank branches has dwindled steadily, which may affect the Company's premium amount derived from a sale to customers using Bangkok Bank branches' service. Nevertheless, the Bangkok Bank's policy of increasingly extending its service channels for customers via Mobile Banking and Banking Agent allows the Company to have new channels for a distribution of its insurance products to the Bangkok Bank's customers. In addition, the Bangkok Bank's policy of further extension of its business to Asian countries has caused the Company to have more opportunity to obtain insurance work from a customer base in foreign countries.
8. The government has a higher trend of using the insurance industry as a tool for reducing risk of the government sector's burden on budget, for instance, a crop insurance project, which has a trend of increasing the number of types of crop insured, besides rice and animal-raising maize at present.

Similarly, foreigners staying in Thailand and foreign tourists are required to have health insurance, with coverage for medical treatment fees in case of the COVID-19 infection, apart from a concept of arranging cyber insurance for government agencies, which will have a considerable positive impact on the insurance industry.

Internal factors

1. The Company's operating performance policy has concentrated on generating underwriting profits, resulting in its stringent underwriting policies, for instance, an adjustment of a higher premium rate or termination of underwriting of portfolio with high risk, a requirement for a strict risk survey prior to underwriting, a calculation of premium in accordance with a level of risk, and strictness in the consideration of business partners' remuneration. Such a policy may significantly influence the written premium's growth rate which may not expand in a leap-forward manner.
2. The Company still has a burden on a large amount of successive-investment budget for an improvement of such work systems as the accounting system, information technology system and database system, apart from the training of employees and employment of personnel skillful in those work systems, aimed at raising the potential for the provision of services to customers/business partners, maintaining an advantage in a competition, and being in response to the regulator's burgeoning performance standards, requirements, rules and regulations.

Other factors

1. The regulator, customers and investors have put pressure on the Company to adjust its policy on underwriting and investment with more consideration of the ESG (Environment, Social, Governance) principle, which may result in a lower income due to an avoidance of investment in assets or underwriting of some types of business that may have an impact on society and the environment. Likewise, the Company itself may have risk of deficiencies in performance in compliance with the ESG principle, which may subsequently cause such damage as the Company's image on the public, and liability for damages incurred upon those affected, besides influencing the Company's ability to attract and maintain quality staff due to the new generation of workers' values of refraining from working with an agency not performing based on the ESG principle.

COMPANY'S FINANCIAL STATUS

Assets

As at December 31, 2021, the Company's total assets amounted to Baht 63,499.8 million, an increase of Baht 3,996.0 million, or 6.7 percent, over 2020. Significant components of the assets are described below.

- Investments in securities rose by Baht 2,623.4 million, or 5.9 percent, to Baht 47,047.5 million, compared to 2020. Investments in securities are comprised of available-for-sale investments, measured at fair value through other comprehensive income - net, of Baht 36,468.8 million, or 77.5 percent of securities investments, and held-to-maturity investments measured at amortised cost-net (deposits at financial institutions which matured over 3 months) of Baht 10,578.7 million, or 22.5 percent of securities investments.
- Net reinsurance assets totaled Baht 7,930.4 million, a rise of Baht 370.2 million, or 4.9 percent, over 2020.
- Net premium receivables grew by Baht 238.6 million, or 8.6 percent, to Baht 3,004.5 million, compared to 2020.
- Net loans and interest receivables dropped by Baht 76.3 million, or 5.2 percent, to Baht 1,400.1 million, over 2020.
- Right-of-use assets expanded by Baht 14.7 million, or 1.7 percent, to Baht 901.3 million, compared to 2020.
- Cash and cash equivalents augmented by Baht 420.1 million, or 296.7 percent, to Baht 561.7 million, over 2020.
- Reinsurance receivables rose by Baht 239.7 million, or 61.6 percent, to Baht 629.0 million, compared to 2020.

Liabilities

The Company's total liabilities at 2021 year-end grew by Baht 1,521.0 million, or 5.2 percent, to Baht 30,681.7 million, compared to 2020. Significant elements of liabilities include the following:

- Insurance contract liabilities grew by Baht 658.4 million, or 3.7 percent, to Baht 18,680.9 million, compared to 2020.
- Deferred tax liabilities extended by Baht 732.4 million, or 24.5 percent, to Baht 3,716.9 million, over 2020.
- Due to reinsurers increased by Baht 450.9 million, or 16.5 percent, to Baht 3,188.4 million, compared to 2020.
- Lease liabilities rose by Baht 47.0 million, or 6.0 percent, to Baht 825.8 million, over 2020.

Owners' Equity

The Company's owners' equity at 2021 year-end expanded by Baht 2,475.0 million, or 8.2 percent, to Baht 32,818.1 million, over 2020. Important components of the owners' equity are listed below.

- Registered, issued and paid-up capital totaled Baht 1,064.7 million and share premium amounted to Baht 1,442.5 million, both unchanged from the previous year.
- Appropriated retained earnings (other reserve) amounted to Baht 7,000.0 million, unchanged from the year before.
- Unappropriated retained earnings totaled Baht 4,748.9 million, a drop of Baht 624.2 million, or 11.6 percent, compared to 2020.
- Other component of owners' equity (a surplus on revaluation of available-for-sale investments based on net of income taxes) rose by Baht 3,099.2 million, or 20.2 percent, to Baht 18,455.5 million, over 2020.

Assets Quality

Debtors (Premium receivables)

As at December 31, 2021, premium receivables had grown by Baht 238.6 million, or 8.6 percent, to Baht 3,004.5 million, over 2020. They can be classified by aging as follows:

(Million Baht)

Overdue	2021			2020		
	From the Insured	From Agent & Broker	Total	From the Insured	From Agent & Broker	Total
Not Yet Due	562.9	1,790.4	2,353.3	423.6	1,779.3	2,202.9
Overdue not longer than 30 days	94.9	99.5	194.4	71.8	119.7	191.5
Overdue 31 days - 60 days	145.6	88.4	234.0	43.4	76.2	119.6
Overdue 61 days - 90 days	16.3	38.5	54.8	37.9	23.2	61.1
Overdue 91 days - 1 year	58.6	109.4	168.0	82.1	108.7	190.8
Overdue longer than 1 year	32.0	11.9	43.9	3.3	12.9	16.2
Total overdue	910.3	2,138.1	3,048.4	662.1	2,120.0	2,782.1
Less: Allowance for Doubtful Accounts	32.0	11.9	43.9	3.3	12.9	16.2
Premium Receivables - Net	878.3	2,126.2	3,004.5	658.8	2,107.1	2,765.9

Debtors, within a grace period and overdue less than 30 days, for premium receivables amounted to Baht 2,547.7 million, representing 83.6 percent of the uncollected total premium of Baht 3,048.4 million. Most of them were within a grace period offered by the Company. Nonetheless, the Company has constantly developed an efficient debt management procedure, premium collections and debt follow-up, which allow the uncollected premium's value estimation ratio to meet the requirement of OIC.

For the premiums expected to be bad debts, the Company has provided an allowance for doubtful accounts, in accordance with the Company's policy on allowance allotment for doubtful accounts, which is deemed adequate for the risk of being unable to collect these debts.

Policy on the Determination of Credit Term for Business Partners or Customers of Each Type of Business

The Company has a policy and practice method with regard to its premium collection so that they are efficient and in compliance with the requirement of OIC. The Company has defined its premium collection based on the following terms.

1. In the case the Company collects premiums directly from the insured

Business Unit	Premium Collection Period			
	Non-motor (Type of Insured)		Motor (Type of Insured)	
	Person	Juristic Person	Person	Juristic Person
All channels	Not exceeding 15 days starting from beginning coverage date	Not exceeding 30 days starting from beginning coverage date	Not exceeding beginning coverage date	Not exceeding 15 days starting from beginning coverage date

2. In the case the Company collects premiums through its business partners

Business Partner	Premium Collection Period				
	Non-motor	Motor Insurance on Behalf of			
		Person		Juristic Person	
		Starting Coverage Days 1-15	Starting Coverage day 16-31	Starting Coverage Days 1-15	Starting Coverage day 16-31
<ul style="list-style-type: none"> - Agent - Broker - Financial Institution 	Not exceeding 60 days	Not exceeding same month-end	Not exceeding day 15 th of next month	Not exceeding day 15 th of next month	Not exceeding next month-end

Financial ratio relating to average credit term that truly occurs

	2021	2020	2019
Average Credit Term for Premium Collections (Day)			
- Non-Motor	51	47	50
- Motor	32	33	34
Premium Receivables Ratio (%)			
- Non-Motor	12.3	11.9	14.8
- Motor	9.9	9.9	10.2

For 2021, the Company had an average credit term for premium collections for non-motor and motor insurance of 51 days and 32 days, respectively, reflecting its efficiency in premium collections within the criteria of the defined policy. This resulted in the Company having the premium receivables ratios for 2021 for non-motor and motor insurance of 12.3 percent and 9.9 percent, respectively.

Although this year the overall Thai economy has been impacted by the spreading of the Coronavirus disease (COVID-19), the Company has had a measure to relieve the insured's financial burden through being lenient with their premium payment, from two to six months, as appropriate and the 0% installment with credit card partner, which had a good impact on the Company's term of premium collection.

Compensation Payment Period

The Company has a compensation payment guideline for customers, vendors and counterparties according to the specified regulations and processes of Office of Insurance Commission (OIC). The Company makes a compensation payment based on the conditions as follows:

Customers/Business Partners	Compensation Payment Period
The Insured / The Beneficiary / The Counterparty	Within 15 business days after receiving a claim agreement from the Insured / the Beneficiary / the Counterparty.
Contracted Garages	Within 5 business days after receiving an invoice via an online claim system: Electronic Motor Claim Solutions (EMCS). Within 15 business days after receiving a paper invoice.
Dealer Garages	Within 30 business days after receiving a paper invoice.
Other Business Partners	Within 25 business days after receiving a paper invoice.
Non-contracted Garages and Non-contracted Business Partners	Within 45 business days after receiving a paper invoice.
Hospitals / Contracted Hospitals	Within 30 business days after receiving a paper invoice.

The actual compensation payment period for Personal Insurance Accident and Health Insurance

	2021	2020	2019
Claim Payment to The Insured / The Beneficiary / The Counterparty (Days)	10	6	4
Claim Payment to Hospitals / Contracted Hospitals (Days)	13	6	7

Loans

As at December 31, 2021, the Company's total net loans and interest receivables, carried at amortization cost and less expected credit losses as defined in the accounting guideline related to financial instruments and disclosures applicable to insurance business, amounted to Baht 1,400.1 million. They were mortgage loans or those having a person as collateral security. Out of the Company's total loan and interest receivable amount, Baht 189.2 million, or 13.5 percent, was housing loans and interest receivables, while the remaining Baht 1,210.9 million, or 86.5 percent, was loans and interest receivables extended to real estate developers and other industrial entrepreneurs.

With respect to these mortgage loans, the collateral security evaluation, loan amount limit, contract period, conditions for interest payment on an installment basis, and the principal return were in compliance with the requirements of the laws and regulations concerned. In addition, the value of collateral security for mortgage loans must be absolutely sufficient for debt payment.

Loans can be classified by an analysis of credit risk categorization as follows:

Classification	December 31, 2021			December 31, 2020		
	Principal		Total	Principal		Total
	Mortgage	Others		Mortgage	Others	
Stage 1 – Loans without a significant increase in credit risk	1,277.2	7.7	1,284.9	1,344.4	8.3	1,352.7
Stage 2 – Loans with a significant increase in credit risk	2.2	–	2.2	17.9	–	17.9
Stage 3 – Loans with credit impairment	169.4	–	169.4	155.1	–	155.1
Total Loans and Interest Receivables	1,448.8	7.7	1,456.5	1,517.4	8.3	1,525.7
Less: Allowance for Expected Credit Losses	(56.4)	–	(56.4)	(49.3)	–	(49.3)
Loans and Interest Receivables – Net	1,392.4	7.7	1,400.1	1,468.1	8.3	1,476.4

Investments in Securities

In 2021, the global economy was able to revive well due to the fact that many countries had relaxed their measures on a control of the spread of COVID-19 through an all-inclusive vaccination distribution, including each country's economy-stimulating policy, causing the economic activities to expand continuously, reflected in numerous countries' extending production and trading amount. In this connection, there was a trend of an adjustment of a higher inflation rate and stable unemployment rate since the labor market couldn't revive to its full potential.

For the overall Thai economy in 2021, it gradually recovered in the latter half of the year due to a supporting factor of an exportation in line with rising global demands and extending domestic spending stemming from the government sector's economy-stimulating measures, including an implementation of a public health policy which caused a limited impact of the spread of COVID-19 in the country. In this regard, during the time when the Thai economy hasn't reached its full recovery and was still uncertain, the Monetary Policy Committee had retained the policy interest rate at 0.5 percent all through the year 2021, while the Bank of Thailand had a relaxing policy for financial criteria to support the economy in all sectors.

For the Company, its overall investment income in 2021 had increased, compared to the previous year. The interest and dividends dropped by Baht 74.2 million, or 6.6 percent, to Baht 1,053.0 million. A return from investment capital rose by Baht 128.7 million, or 69.5 percent, to Baht 313.9 million. Therefore, the total investment income in 2021 grew by Baht 137.7 million, or 10.1 percent, to Baht 1,498.3 million. When combined with a return from the underwriting, the Company's net return in 2021 amounted to Baht 1,055.9 million, a fall of Baht 1,649.7 million, or 61.0 percent, over 2020.

Furthermore, the Company's fair value of the overall securities investment was higher than its costs, which was indicated by other components of owners' equity in the 2021 financial statements, which were displayed as a surplus on revaluation of available-for-sale investments net of income taxes amounting to Baht 18,455.5 million, a growth of Baht 3,099.2 million, or 20.2 percent, compared to 2020, in compliance with the SET index at 2021 year-end closed at 1,657.62, a rise of 208.27, or 14.4 percent, from 2020, which closed at 1,449.35.

When classified in detail, as at December 31, 2021, the Company's investment capital for significant securities included the following. Held-to-maturity investments measured at amortised cost-net (deposits at financial institutions which matured over 3 months) amounted to Baht 10,891.6 million, with a fair value of Baht 10,888.7 million, while investments in government and state enterprise securities, measured at fair value through other comprehensive income-net, totaled Baht 4,438.5 million, with a fair value of Baht 4,462.9 million, investments in private enterprise debt securities, measured at fair value through other comprehensive income-net, equaled Baht 800.0 million, with a fair value of Baht 745.9 million, and investments in equity securities, measured at fair value through other comprehensive income-net, amounted to Baht 6,551.7 million, with a remaining value, measured at fair value through other comprehensive income-net, of Baht 6,486.6 million, with a fair value of Baht 29,430.1 million after the reduction of allowance for impairment of Baht 65.1 million.

The investment in unit trusts, measured at fair value through other comprehensive income-net, amounted to Baht 1,721.2 million, with a fair value of Baht 1,829.9 million, which were classified into equity funds, property funds, real estate investment trust and infrastructure funds.

Liquidity

Cash Flows

As at December 31, 2021, the Company's cash and cash equivalents rose by Baht 420.1 million, or 296.7 percent, to Baht 561.7 million. The Company's net cash on its activities were as follows:

(Million Baht)

	2021	2020
Net Cash from (used in) Operating Activities	2,333.6	1,619.6
Net Cash from (used in) Investing Activities	(140.9)	(69.9)
Net Cash from (used in) Financing Activities	(1,772.5)	(1,547.0)
Increase (Decrease) in Net Cash and Cash Equivalents	420.2	2.7

- Net cash from operating activities totaled Baht 2,333.6 million, which came mainly from direct premium written and interest and dividend investment income.
- Net cash used in investing activities totaled Baht 140.9 million, which was mainly used in property, premises and equipment, including non-existent assets.
- Net cash used in financing activities totaled Baht 1,772.5 million, which was used in a dividend payment of Baht 1,705.5 million and in debt payment under lease agreements of Baht 67.0 million.

Other Liquidity Assets

Apart from cash and cash equivalents, based on the data identified in the securities investment capital, it can be seen that most capital was assets of high liquidity, for instance, government bonds, listed securities and investment in funds. These assets could be swiftly converted into cash since they were in demand in the market.

Investment Expenses

In 2021, the Company's major investment expenses were on an information technology system, building rehabilitation, and office equipment and decoration which were aimed at improving the Company's modern outlook and efficiency of customer services. The Company had a plan to modify all departments' core insurance work system and enhance its work procedure potential under the Core Business System (CBS) project, in which the system will be developed through advanced technology and universally designed, covering the Company's core departments' performance, from the underwriting procedures to claims requests. The project uses investment capital from cash flows derived from direct premium written, with adequate liquidity. In 2021, there was a commitment of investment expenses from the CBS project, of Baht 401.0 million. The modification of the system will help to enhance the Company's performance efficiency and promote the performance of data management, as well as raise the efficiency of an insurance service system, in support of the Company's growth and in response to customers' demands, generating the greatest satisfaction for them.

As at December 31, 2021 and 2020, the Company had a commitment of investment expenses on building rehabilitation and extension, of Baht 5.8 million and 23.5 million, respectively, apart from having a commitment of investment expenses on the development of computer programs, of Baht 402.2 million and 51.7 million, respectively.

In 2021, the Company's investment expenses on property, premises and equipment amounted to Baht 53.5 million, and non-existent assets of Baht 87.4 million.

Sources of Funds

As at December 31, 2021, the Company's liabilities were Baht 30,681.7 million, while owners' equity was Baht 32,818.1 million. Thus, the debt-to-equity ratio was 0.9 times. In 2021, the Company's total liabilities had risen by Baht 1,521.0 million, or 5.2 percent, compared to 2020, due to an increase in insurance contract liabilities, due to reinsurers, deferred tax liabilities and liabilities under lease agreements. Owners' equity expanded by Baht 2,475.0 million, or 8.2 percent, over 2020, from other component of owners' equity, which was a surplus on revaluation of available-for-sale investments based on net of income taxes, which grew by Baht 3,099.2 million, or 20.2 percent. Nevertheless, unappropriated retained earnings experienced a fall of Baht 624.2 million, or 11.6 percent, over 2020.

Significant Change

- None -

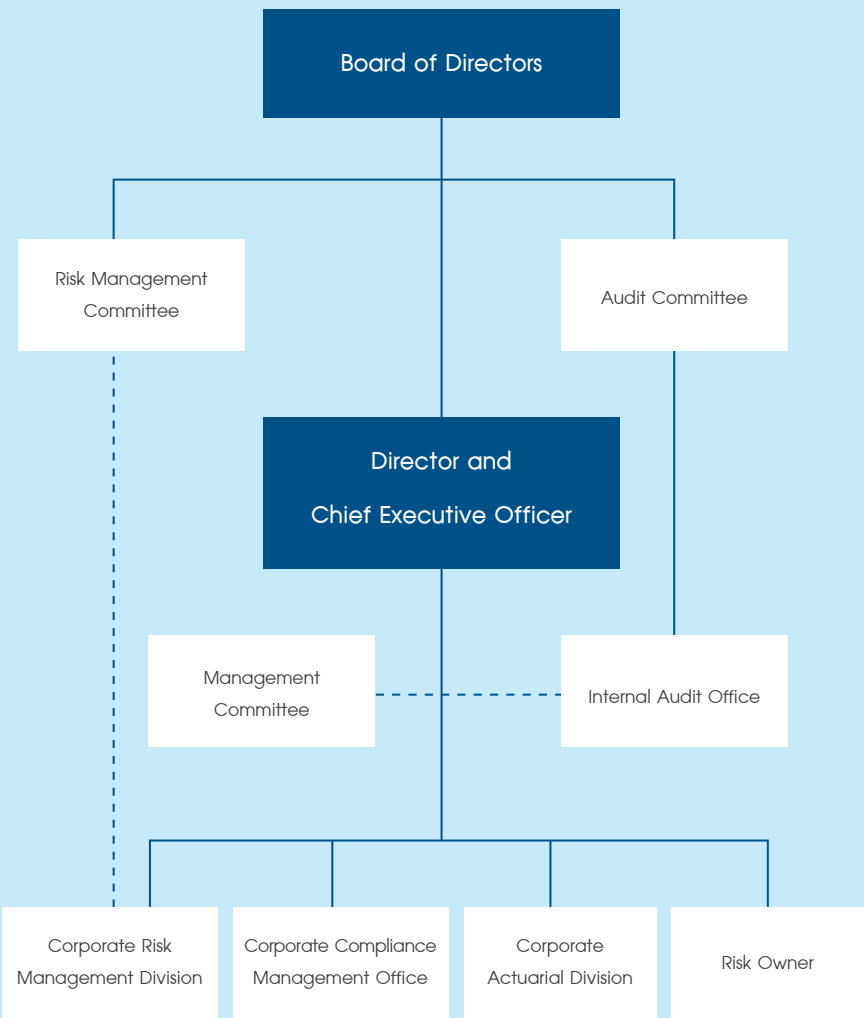
RISK MANAGEMENT

Currently, the conduction of the non-life insurance business transactions amidst risks, from factors both inside and outside the country, the spread of the Corona Virus Disease 2019 (COVID-19), including natural disasters affecting the directions of strategies, performance and business decision-making process have all made it necessary for the Company to adapt itself to keep up with the ever-changing circumstances, apart from having to be systematically prepared to encounter risks which may occur in the future so as to minimize the impacts and be able to respond to the fluctuating situations efficiently. In this

connection, the Company’s Board of Directors and management have developed an adequate risk management system which can identify, measure and control risks, including overseeing a serious and comprehensive implementation throughout the organization, aimed at fulfilling the Company’s overall objectives and goals emphasizing to propose a management guideline which is favorable to all groups of related stakeholders, such as shareholders, customers, business partners, employees, the government sector and society, under the following risk management framework and policy.

1. Risk Management Framework and Policy

1.1 Structure of Risk Management Overseeing



- To approve of the risk management framework, risk management policy, strategies and business plans, and an acceptable level of risks.
- To oversee and support to ensure that there is an implementation of risk management in compliance with strategies and objectives of business plans.
- To verify and make an assessment of the Company’s systems of internal control, internal audit and risk management to ensure their appropriateness.
- To promote the performance in conformity with the risk management framework and policy which is in accordance with strategies, under an acceptable level of risks.
- To follow up and make an assessment of risk management of other divisions in the organization so that it complies with the organization’s risk management framework and risk management policy.
- To support the performance of the Company’s Board of Directors and the Risk Management Committee concerning the Company’s risk management so that it conforms with the organization’s risk management framework and risk management policy which are in accordance with strategies, under an acceptable level of risks.
- To follow up to ensure the determination of policies and work procedures, besides overseeing the Company’s performance so that it is in compliance with laws, regulations and orders.
- To make an assessment of the adequacy of fund and a test of critical condition under various circumstances, apart from measuring their impact on the Company’s assets, debts and fund level.

For the structure of overseeing its risk management, the Company has applied the risk governance framework in the form of 3 lines of defense, aimed at an efficient and effective risk management.



1.2 Policy on Risk Management

The Company has defined its policy on risk management at the organizational level through an analysis and evaluation of its capability in business transactions based on the strategic plan, including having an efficient and effective risk management, by connecting the Company's strategic plan, fund management, Own Risk and Solvency Assessment (ORSA) and risk level higher than the defined internal thresholds. All this has been carried out by identifying and making as assessment of risk covering significant activities and types of risks, including defining the risk appetite and risk tolerance, apart from making an emergency plan for fund in support of the performance based on the business plan under a changing business environment.

In addition, the Company has given priority to the development and support of the organization's all-inclusive risk management culture through encouraging all the management and staff in the organization to be aware of risks which may occur in it and divisions via exchanging opinions on risk data among themselves, risk management under a risk appetite, and a collective consideration of risk management measures, including supporting risk management as part of the performance of each staff in the organization. As to the generation of risk management knowledge, the Company has arranged for training and transferring risk management knowledge to its staff so that all staff have knowledge and understanding and are aware of risks which may occur and affect their divisions, the Company and people concerned, all aimed at the creation of the greatest benefit to the organization.

2. Risk Factors of the Company's Business Transactions

The Company has fully realized the significance of risk management, which will enable its business to push sustainably forward and prosper in the long run, based on the principle of good corporate governance, having a sound risk management framework. Besides, there is constant development and improvement of the efficiency of the Company's risk management system so that it parallels international standards. Nevertheless, the Company still encounters risks of its business transactions amidst the spread of the Corona Virus Disease 2019 (COVID-19), which may have a direct impact on its operating performance and financial standing as the following:

1. The Company's Business Transaction Risk

1.1 Insurance Risk

Insurance risk is a risk incurred by the design and development of insurance products or when the Company does not define its premium rates in accordance with the damage occurred, as well as the consideration of underwriting of high risks and inadequate or inefficient reinsurance, resulting in the damage caused being far greater than expected, including insufficient legal reserve management and inefficient claims management.

The Company has appointed the Products Committee and the Underwriting and Claims Committee to manage risk as the following:

Concerning product design and development, the Company has defined the framework and policy on product issuance in accordance with its vision, strategies, financial goals, work plans and related laws, including overseeing to ensure that the Company has a fair treatment to its customers.

As for underwriting, the Company has annually reviewed its underwriting policy and reinsurance management framework, possessed an operating plan which can be adjusted to be flexible and in compliance with changing situations, analyzed the level of risk retention appropriate for acceptable risks, reviewed the insurance premium rate and underwriting criteria appropriate for the competition condition in the market, arranged for a systematic reinsurance to enhance the potential of underwriting and properly disperse risks, including creating culture of a fair treatment to customers.

As to claims management, the Company has annually reviewed the policy on claims management appropriate for changing circumstances, determined the scope of claims authority as well as rules, regulations and practice guidelines for the claims consideration, including supervising and following up the status of a claims request, besides sufficiently establishing the claims reserve. In addition, the Company has overseen its service quality and claims payments so that they are fair and swift, aimed at customers' and business partners' greatest benefit and satisfaction.

As the COVID-19 pandemic has spread globally, the Company has managed risks related to the crisis including underwriting, claims management, work from home policy for employees during COVID-19 that does not affect the business operations, and risk management funds. However, the Company has been affected by COVID-19 causing the increasing number of claim expenses from COVID-19 insurances. Profits have been reduced but this does not affect the Company's financial status and stability based on its credit rating.

1.2 Catastrophe Risk

Catastrophe risk is a risk stemming from a tremendous loss incident or a natural catastrophe, causing the Company to be affected by far higher claims than expected.

The Company has defined a guideline for managing the above risk by adequately allocating reinsurance for risk retention under both a proportional treaty and a non-proportional treaty, apart from sufficiently distributing the claims reserve so as not to impact the Company's financial standing.

1.3 Concentration Risk from Insurance Business

Concentration risk is a risk incurred by underwriting and reinsurance which may be caused by the concentration of risks underwritten and the concentration in transferring those risks to certain reinsurance companies.

The company has defined a guideline for managing risk as follows:

As to the concentration of underwriting, the Company has a control system of risk accumulation proper for treaty establishment and under XOL protection, apart from having a warning system if the risk is accumulated beyond an amount defined, and making a summary of the overall accumulated risk based on the nature of risk for all types of contracts.

Concerning the concentration of reinsurance, the Company analyzes and has a control system of risk of taking reinsurance and having reinsurance not beyond the defined limitation, through a steady follow-up, besides having a warning system if the risk is accumulated beyond an amount defined.

1.4 Credit Risk from Insurance Business

• Reinsurance Risk

These refer to risk when the Company may not be paid debts, in accordance with an agreement, from reinsurance companies as they are obliged to due to their lack of liquidity or insecure financial standing, causing the Company to bear the burden of making claims payments itself. Besides, there are also risks stemming from a certain number of reinsurance companies likely to take reinsurance with a less amount of coverage, owing to their degraded credit rating, or by reinsurers' desire not to conduct underwriting, or do it but only in a limited amount.

The Company has managed such risk by defining the amount of money possessed and the reinsurance collateral, with a guideline for collecting the unearned premium reserve under all major contracts. The Company has also considered the financial status and stability of all reinsurance companies based on their credit rating, and a guideline for premium recollection, and purchased reinsurance policies from many trustworthy companies that are capable of reinsurance, which helps distribute the risk. In addition, it has cautiously scrutinized the reinsurance conditions through its department that is well versed in the reinsurance business, including having its legal department consider legal issues, in order to minimize such risk.

- **Difficulties in Premium Collection**

Premium collection risk is a risk when the insured may not be able to pay their premium, or the agent and broker have collected premiums from clients but do not pay those premiums within the time defined, causing the Company to risk being unable to collect outstanding premiums, which may become bad debts.

To minimize the risk, the Company possesses an efficient process of closely following up its outstanding premiums from the insured, agent and broker, apart from defining the criteria for a selection of the agent and broker, and for putting up collateral within the specified credit limit allowed by the Company.

2. Investment Risk

In 2021, the whole world still experienced a continued impact of a resurgence of the Corona Virus Disease 2019 (COVID-19). Each country had applied a relaxing financial policy and monetary policy measure to revive its economy. Many countries speeded up their COVID-19 vaccination at a fast rate, causing their economies to go in a better direction, particularly a group of major industries which started a relaxing control measure, resulting in better economic activities. Meanwhile, central banks began to adjust their financial policy direction by making an adjustment of Quantitative Easing (QE) but there was a signal of a slowdown due to a trend of an adjustment of a higher energy price.

For Thailand it was severely impacted by the third round of a resurgence of COVID-19 and a strict spread control measure, causing the private sector's diminishing consumption. Though there were the government sector's measures to stimulate people's purchasing power, the tourism sector still experienced a direct impact from a limited travel measure, coupled with decreasing export due to a slowdown in trading partners' demand, but there was an adjustment of a better trend in the final quarter of the year stemming from a relaxing spread control measure. Nevertheless, the Thai economy still fluctuated owing to COVID-19 variants, which needed a close follow-up.

The Monetary Policy Committee (MPC) had maintained the policy interest rate at 0.5 percent to stimulate the economy, causing low deposit interest rates and returns in the debt securities market, while there was an adjustment of a higher return rate of long-term bonds in line with the direction of the U.S. bond return rate. There was an adjustment of a better SET index in the first half of the year; nonetheless, there was still a fluctuation due to political unrests and COVID-19 variants.

Based on risks with which the Company had been confronted, the Company has managed its risk as the following.

2.1 Credit Risk

Credit risk is a risk stemming from the Company's contractual partners' inability to abide by an obligation made to the Company, including an opportunity for their credit rating to be degraded.

To manage such risk, the Company has carried out the following:

- **For risk associated with providing loans**

The Company will increase caution in consideration of its debtors' financial status and ability to pay debt based on a sound credit analysis standard. Meanwhile, loan to value will be determined so that it is not beyond the legal limit, apart from following up a cash flow in which a payment is made in each month, and debtors' consistency of debt payment.

The Company has also considered a guideline for providing assistance to debtors affected by COVID-19 and the economic situation, in conformity with the central bank's guideline, aimed at their survival and ability to pay debt.

- **For debt instruments**

The Company chooses to invest in treasury notes, government bonds, the Bank of Thailand bonds, state enterprise bonds guaranteed by the Ministry of Finance, and private debt instruments. As to private debt instruments, the Company will choose to invest in debt instruments of which the credit rating is not lower than the investment grade, as well as select debt instruments issuers' types of businesses and industries, and groups of executives with a good record, apart from having a steady review of the issuer's financial standing and ability to pay the principal and interest. In the year before, the Company still gave the significance of a consideration of debt instruments issuers' credit by selecting to invest in debt instruments of which the credit rating is higher than A and over, and which are in business slightly influenced by the situation occurred, apart from placing emphasis on investing in the environmental, social and governance (ESG) business such as debentures for the environmental preservation which will result in sound and sustainable returns for all parties of stakeholders.

2.2 Concentration Risk

Concentration risk is a risk incurred when the Company invests too much in assets, both inside and outside the country, or gives

too big amount of loan to a particular debtor. Thus when there is a negative impact on such groups, it will create tremendous damage to the Company.

To manage the risk, the Company has dispersed its investments across numerous types of assets, both debt securities and equity securities, and other alternative assets such as trust for real estate investments, as well as dispersed loans to various debtors and in different regions of the country, in a proportion in compliance with the requirements relating to risk based on the criteria defined by the regulator, including dispersing its investments in different industries. In case of investment in assets of foreign currencies, the Company will prevent risk from an exchange rate in a full amount.

2.3 Liquidity Risk

Liquidity risk is a risk that may be incurred when the Company cannot pay its debts or obligations made by it because the Company's securities cannot be realized as cash within the time required, which may cause it to procure cash at a higher cost.

To manage liquidity risk, the Company has allocated a portion of investment as a bank deposit, treasury notes and the Bank of Thailand short-term bonds, all with high liquidity, which is reserved for operating expenses, while the deposit or short-term bonds are defined to be gradually due in each period, in conformity with a demand for spending in accordance with a plan for the cash flow management, financial reception and payment based on an obligation established. As to the other portion, the Company has allotted investment in stocks required by the market, with high liquidity and an ability to be realized as cash conveniently, as well as at the value approximate to the fair value.

Furthermore, the Company has procured capital reserve sources such as overdrawn amounts or short-term loans from commercial banks, which can be withdrawn immediately in case of expenses arising beyond anticipation and which is adequate to counter liquidity risk. In 2021, the Company had sufficiently allocated cash and liquidity assets in response to a claims payment incurred by a spread of COVID-19.

2.4 Market Risk

Market risk is a risk stemming from the fluctuations of capital marketing factors, such as revaluation of non-marketable equity securities, as well as a change in the interest rates and exchange rates, resulting in a revaluation of investment assets values, for example, equity securities, debt securities and unit trusts.

To minimize such risk, the Company has implemented the following risk management.

- **For the revaluation on non-marketable equity securities**

The Company will choose to invest in equity securities of which the issuers possess robust financial status and competitiveness and an ability to survive on the day the globe revolves faster amidst the resurgence of COVID-19, an economic depression and climate change, apart from selecting to invest in outstanding stocks for the Company's sustainable business transaction, or stocks in the ESG group which gives priority to 3 components, namely, the environmental, social and corporate governance, in parallel with a sound operating performance. Additionally, the Company has a policy of occupying equity instruments for its long-term investments, which will be able to reduce price volatility of equity instruments.

- **Concerning a change in interest rates**

The Company has closely followed up the determination of the policy interest rates of the Bank of Thailand, direction of a change in the United States' Federal Reserve's interest rates, and return rates in the debt securities market in order to define the investment duration in accordance with the fluctuation of interest rates. In addition, the Company also has a policy of occupying debt instruments until they are due so as to minimize the risks incurred by instrument price volatility, apart from managing its bank deposits so that they have due amounts every month and in an approximate amount, which helps reduce a reinvestment risk. Similarly, the Company has also taken part in a bidding for investment in short-term bonds when they have a higher return rate than bank deposits in an equal period of time.

- **In respect of the exchange rate**

The Company may use financial instruments to prevent exchange rate risks, for instance, Cross Currency and Interest Rate Swap, Interest Rate Swap, and Foreign Exchange Forward, in order to minimize the risks in accordance with the market situation and in line with the regulator's requirements.

Furthermore, the Company has made an evaluation of the level of investment risk through various assessment methods and models, for example, Value at Risk, Sensitivity Analysis, and Stress Test, using Bloomberg's system and an information technology system developed by the Company, to ensure that the Company still has financial standing flexible enough to counter the damage which may occur.

3. The Company's Other Risks

3.1 Strategic Risk

This refers to risk arising from the formulation of strategic plans and action plans, and their implementation which is not appropriate or not in accordance with the Company's internal and external factors, including social and technological changes, which may influence the fulfillment of the Company's vision, as well as its financial standing, investment fund and income. The Company's internal risk factors include its organizational structure, work implementation procedure, data sufficiency, technology, and so on, while external risk factors comprise consumers' demands, distribution channels, the economic condition, competition, rules and regulations, political factors, etc.

The Company has defined a guideline for strategic risk management by formulating its strategic plan in compliance with the Company's vision and planned its implementation from the organizational level to departmental level, apart from informing the Company's staff of the strategic plans for their acknowledgement and performance in the same direction. Besides, the Company has controlled and followed up the implementation based on the plan, including giving a warning signal in the case that an implementation consequence has a trend of not being in line with the plan defined so that the plans can be adjusted in conformity with external factors and changing circumstances. Similarly, the Company has given priority to continuously extending its personal lines business and regional markets through products with marketing potential and appropriate for risk in each segment, aimed at their competitiveness and an ability to generate a sound return, in addition to increasing new distribution channels, particularly a digital channel, aimed at an access to as many target customers as possible, including developing a working procedure on underwriting and claims services via various technological systems and innovations, as well as generating an information technology system for efficient decision making, and developing personnel so that they have higher quality, knowledge and skill in insurance work, aimed at providing an excellent service to the Company's customers and business partners.

3.2 Reputational Risk

This is a risk that may be incurred when the Company is publicized in mass media negatively owing to its unfair treatment to customers and business partners and practices not in line with laws, which may affect the Company's reputation, image, security, ability to make a profit, and financial standing.

The Company has a guideline for risk management by attaching to the principle of good corporate governance and responsibility to society, apart from concentrating on retaining its good image on customers and business partners, and practices in compliance with laws so that such impacts do not influence the Company's image, reputation, stability and financial standing.

3.3 Compliance Risk

This refers to risk arising when the Company does not abide by laws or performs incompletely or inaccurately on account of an alteration or strictness of laws, rules and regulations made by the regulator, which may result in the Company's reputation, penalty and fine in the form of money, or loss in its business opportunity.

The Company has a guideline for risk management by defining its performance guideline in conformity with laws, rules and regulations made by the regulator so that all its employees will perform based on them, apart from having its Internal Audit Office responsible for a verification of such performance, including possessing a division overseeing an implementation in accordance with those rules and regulations, and communicating all the rules and regulations issued by the regulator to all its employees for acknowledgement and strict performance based on them.

3.4 Operational Risk

This is a risk that is incurred in the performance of all the Company's sections due to an erroneous operation stemming from the unpreparedness, insufficiency or deficiency of the Company's personnel, working process, information technology system, malfeasance by insiders, and malfeasance by outsiders, as well as risks caused by external factors, which may cause the Company's business to stop short, influencing its operating performance or financial standing.

To manage its operational risk, the Company has given importance to and arranged for a sound internal control system, through a quality management system controlling its work performance, and anti-corruption measure, provided for a sufficient workforce qualified for each job description, procured experts in each field for an efficient work system, as well as initiated a system in which staff can work as substitutes for others, whether temporarily or permanently, allowing for the Company's steady performance, apart from providing training to its employees so that they have knowledge and understanding of issues relating to the Company's insurance business and products, including continuously developing and improving its work system so as to keep pace with changes. Similarly, the

Company has assigned all levels of its sections to be in charge of their own operational risk management, besides injecting knowledge and understanding of operational risk among its employees, including providing them with concrete training.

For the information technology system and risk arising from external factors, the Company has formulated a business continuity plan and arranged for a spare working place and spare data center which are ready for use, apart from centralizing data in its staff's computers connected with a server, which will enable the Company to reduce the risk impacts that may occur and allow it to carry on its business transactions in spite of being confronted with a crisis.

3.5 Information Technology Risk

Information technology risk is a risk incurred when the Company applies innovations and information technology in support of its business transactions, which may influence its work system or operating performance, including cyber threat.

The Company has a guideline for risk management by providing for operating performance on information technology and training of its staff for their knowledge, and defining strict safety measures, besides formulating the Cyber Incident Response Plan (CIRP) so as to be prepared to cope with various forms of threats which may occur, aimed at stability, safety and impact reduction in case of an incident.

3.6 Asset and Liability Management Risk

Asset and liability management risk is a risk incurred when the Company has an investment policy of occupying equity instruments and debt instruments in the long term, which may affect its debt payments to which the Company is obliged, for instance, claims reserve and unearned premiums since there is no relation between the amount of assets and investment duration.

To minimize the risk, the Company has managed the amount of assets and duration of investment so that they are appropriate, as well as have liquidity and amount adequate for the Company's current liabilities, in support of the Company's stable future growth.

3.7 Environmental Risk: Climate Change Risk

This is a risk that may be incurred when there is a long-term change in the climate pattern due to global warming, causing the rapid climate variability, resulting in severe and frequent natural disasters and catastrophes across the world, which is currently the greatest risk to the non-life insurance industry which provides coverage for natural disasters and catastrophes.

To minimize the risk, the Company has made an adjustment of its premium rates in accordance with risk, adequately allocated reinsurance and considered its investment fund sufficient to counter such risk.

In addition, the Company has realized the significance of the problem and has defined a guideline for collectively solving this global problem through promoting and supporting activities reducing the impact of global warming stemming from emission of carbon dioxide, for instance, an activity campaigning for a decrease in the use of electrical energy and plastic, apart from environmental preservation activities such as reforestation and forest conservation.

3.8 Emerging Risk: Emerging Disease Risk

Emerging risk is a risk which may have never occurred or which the Company has never experienced before, which makes it difficult to estimate the risk level, in terms of both the opportunity and the severity of an impact that may happen. The Company realizes the importance of emerging disease risk which may spread widely to the public, resulting in the stagnation of the Company's business transaction, not being able to provide a continuous service, besides a risk which may occur in the design and development of products providing coverage to emerging diseases. In case of the Company's underwriting without consideration of its investment fund sufficient to counter the risk, this may have an impact on rising claims and the Company's financial standing. As a consequence, the Company has a guideline for risk management as the following:

1. To define emerging disease risk as an organizational risk which needs a follow-up and assessment, besides reporting to the Risk Management Committee continuously.
2. To formulate a business continuity plan through arranging for the preparedness of an information technology system for all employees to work from home so that it does not impact the Company's business transaction, apart from providing services to customers, business partners and all related parties.
3. To consider the Company's investment fund prior to underwriting in response to the worst case scenario, from a policy providing health coverage, including other epidemics so that the Company's financial standing is not affected. Nevertheless, such risk is a new risk hard to estimate. In the case that the damage which really occurs deviates tremendously from estimation, the Company has formulated a capital contingency plan to counter such risk.

SHAREHOLDINGS STRUCTURE

Breakdown of Shareholdings

As at November 26, 2021 (The Record Date)

Issued and Fully Paid-up Share Capital: Baht 1,064.7 Million

Class of Share: Ordinary Shares at Baht 10 per Share

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 - 10,000	4,308	85.11	5,784,125	5.43
10,001 - 50,000	507	10.02	11,342,474	10.65
50,001 - 150,000	146	2.88	12,376,375	11.63
150,001 Up	101	1.99	76,967,026	72.29
	5,062	100.00	106,470,000	100.00

Nationality of Shareholder		Number of Shareholders	%	Number of Shares	%
Thai	Juristic Person	88	1.74	35,786,639	33.61
	Individual	4,916	97.12	57,493,968	54.00
Foreign	Juristic Person	39	0.77	11,654,896	10.95
	Individual	19	0.37	1,534,497	1.44
Total		5,062	100.00	106,470,000	100.00

Major Shareholders and Numbers of Shareholdings

As at November 26, 2021 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name	Number of Shares As at November 26, 2021	%
1. Bangkok Bank Public Co., Ltd.	10,613,194	9.97
2. Mr. Chai Sophonpanich *	3,917,051	3.68
3. NOMURA SECURITIES CO LTD-CLIENT A/C	3,376,000	3.17
4. Chin Sophonpanich Foundation	3,370,934	3.17
5. C.R. Holding Co., Ltd.	3,332,934	3.13
6. AIOI NISSAY DOWA INSURANCE CO., LTD.	2,989,599	2.81
7. Mr. Charn Sophonpanich	2,884,377	2.71
8. Mr. Chatri Sophonpanich **	2,514,033	2.36
9. Mr. Niti Osathanugrah	2,224,362	2.09
10. Bangkok Life Assurance Public Co., Ltd.	2,095,840	1.97
11. Mrs. Aruwan Sophonpanich	2,036,811	1.91
12. Mr. Min Tieworn	2,000,000	1.88

Name	Number of Shares As at November 26, 2021	%
13. Glory Hope Limited	1,658,517	1.56
14. Vayupak Fund 1 MFC Asset Management Public Co., Ltd.	1,589,203	1.49
15. Vayupak Fund 1 Krung Thai Asset Management Public Co., Ltd.	1,589,203	1.49
16. Rabil Holding Co., Ltd.	1,406,071	1.32
17. Bangkok Rinvest Co., Ltd.	1,282,100	1.20
18. BNP PARIBAS SINGAPORE BRANCH	1,071,733	1.01
19. Jatubhut Holding Co., Ltd.	1,001,053	0.94
20. Ms. Chodchoy Sophonpanich	994,774	0.93

Remarks: * Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

Spouse - Mrs. Nuchanart Sophonpanich 1,103,671 Shares

** Passed away and not yet found the transfer of share ownership

Shareholding of the Board of Directors

As at November 26, 2021 (The Record Date) for the right to attend the meeting and to receive the dividend payment.

Name (As at December 31, 2021)	Number of Shares (As at November 26, 2021)	Number of Shares (As at November 27, 2020)	Change
1. Mr. Chai Sophonpanich *	3,917,051	3,917,051	-
2. VDC Col Plengsakdi Prakaspesat	-	-	-
3. Miss Potjanee Thanavarani	-	-	-
4. Mr. Chor.nun Petpaisit	-	-	-
5. Mr. Singh Tangtaswas	153,600	153,600	-
6. Mr. Suvarn Thansathit	-	-	-
7. M.R. Supadis Diskul	-	-	-
8. Mrs. Ninthira Sophonpanich **	2,949	2,949	-
9. Mr. Panus Thiravanitkul ***	69,600	65,600	4,000
10. Mr. Satoru Ogura	-	-	-
11. Dr. Apisit Anantganatarat	4,613	4,613	-
12. Mr. Thongchai Ananthothai (Appointed on April 23, 2021 Resigned as from January 25, 2022)	-	-	-
Mr. Virasak Sutanthavibul (Resigned as from February 18, 2021)	-	-	-

Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

* Spouse - Mrs. Nuchanart Sophonpanich 1,103,671 Shares

** Spouse - Mr. Chartsiri Sophonpanich 2,949 Shares

*** Spouse - Mrs. Suporn Thiravanitkul 5,600 Shares

Shareholding of Management Committee

As at November 26, 2021 (The Record Date) for the right to attend the meeting and to receive the dividend payment:

Name (As at December 31, 2021)	Number of Shares (As at November 26, 2021)	Number of Shares (As at November 27, 2020)	Change
1. Dr. Apisit Anantanatarat	4,613	4,613	-
2. Mr. Suphat Yookongbandhu *	69,409	69,409	-
3. Mr. Jakkrit Chewanuntapornchai	-	-	-
4. Miss Paveena Juchuan	-	-	-
5. Mr. Chawan Sophonpanich	438,181	438,181	-
6. Miss Lasa Sophonpanich	523,425	503,125	20,300
7. M.L. Chalitpong Sanidvong	-	-	-
8. Mr. Yingyot Sangchai	-	-	-
9. Mr. Theerayut Kitvoraphat	-	-	-
10. Mr. Supachai Asawarak (Appointed on July 1, 2021)	100	-	100
11. Mr. Pitiphong Chaochaikhong (Resigned as from March 1, 2022)	-	-	-
12. Mrs. Srichittra Pramojaney (Retired on January 1, 2022)	37,860	19,560	18,300
Mr. Sarawut Deesomboon (Resigned as from August 31, 2021)	-	-	-
Mr. Tassapong Budsayaplakorn (Appointed on March 1, 2022)	-	-	-

Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows:

* Spouse - Mrs. Warunee Yookongbandhu 43,399 Shares

A Group of major shareholders who, by their behavior, has a significant influence on the Company's determination of its policy on management or performance

Based on the Securities and Exchange Commission (SEC)'s declarations, the definition of "the majority of shareholders" means those holding shares, whether directly or indirectly, in any juristic persons of over 10 percent of that juristic person's total number of shares having the right to vote.

From the ratio of shareholdings of the Company's group of the first ten top-ranking shareholders, it does not appear that any shareholders have shares of over 10 percent of the Company's total number of shares having the right to vote. Therefore, the Company has no group of shareholders having a characteristic of major shareholders as defined earlier. In this regard, such group of the first ten highest-ranking shareholders has no behavior significantly influencing the Company's determination of its policy on management or performance.

As to the case of 4 of the Company's Board directors, namely, 1) Mr. Singh Tangtaswas 2) Mr. Suvarn Thansathit 3) Mr. Virasak Sutanthavibul and 4) Mrs. Ninthira Sophonpanich, as appears in the list of the Company's Board of Directors, in the section on Management Structure, the 1st-3rd order assume the position of director and/or executive, and the Board director in the 4th order is the spouse of the executive of Bangkok Bank Public Company Limited, which is the Company's first highest-ranking shareholders (based on the definition of the term "Executive" which the Securities and Exchange Commission (SEC) has defined to include the first four executive members following the manager). But in such case it has not any characteristic of sending a representative to take part in management, or having a behavior significantly influencing the Company's determination of its policy on management or performance, for the following crucial reasons.

1. The Company has personally invited the 4 directors to assume the position of its Board directors due to the fact that the 4 directors have knowledge and expertise in a wide variety of skills benefiting the Company, apart from being able to fully dedicate their time and effort as Board directors, and having appropriate qualifications in compliance with the criteria defined by the Company.
2. The Company has an internal control system proper for doing certain transactions related to the Company's performance with those who may have a conflict of interest, of which the detail has been disclosed in the section Related Parties Transactions.
3. The Company has determined a group of directors authorized to bind the Company to any decision, comprising of executive directors, and directors who do not assume the position of the Audit Committee member and/or directors coming from a financial institution. The detail has been revealed in the section Directors Authorized to Bind the Company to any Decision.

Shareholding Agreement among the Majority of Shareholders

The Company has no shareholding agreement among its major shareholders on the matter influencing the Company's design and issuance of its stocks, or administration.

The Amount of the Company's Registered Capital and Paid-up Capital

- (a) The Company is a listed company in the Stock Exchange of Thailand (SET).
- (b) The Company has the registered and paid-up capital of Baht 1,064,700,000 (One thousand and sixty-four million and seven hundred thousand baht), comprising of 106,470,000 (One hundred and six million and forty-seven hundred thousand) ordinary shares of Baht 10 each.

Issuance of Other Stocks

The Company has not issued other types of stocks besides ordinary stocks.

Dividend Payment Policy

Since it is anticipated that business will expand consistently, the Company will try to maintain the level of dividend to be paid to shareholders at about 50 percent of its net income after income tax deduction, and pay the dividend four times a year. In this regard, the Company will consider paying the dividend based on its performance consequence and in accordance with the country's economic situation.

The Company's data on dividend payment over the past five years:

(Baht/Share)

Shareholders' Meeting Time/Year	Year of Payment	Dividend				Total
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	
25/2018	2017	3.00	3.00	3.00	5.00	14.00
26/2019	2018	3.00	3.00	3.00	5.00	14.00
27/2020	2019	3.00	3.00	3.00	5.00	14.00
28/2021	2020	3.00	3.00	3.00	6.00	15.00
29/2022	2021	3.50	3.50	3.00	5.00 *	15.00 *

Remarks: * The final dividend payment for the year 2021 has to be approved by the shareholders at the 29th general meeting of shareholders.

CORPORATE SUSTAINABLE DEVELOPMENT

The Policy on Organizational Development for Sustainability

Bangkok Insurance has given priority to conducting its non-life insurance business transactions based on transparency and fairness, besides attaching to quality risk management, with consideration of all groups of stakeholders in parallel with supporting and promoting sound quality of life of people in society, communities and the environment, aimed at developing the organization and economy, including overseeing society's sustainable growth alongside. As a consequence, the Company has required its Board directors, management and all levels of employees to have a duty on supporting, promoting and performing in accordance with the policy on sustainable development until it becomes performance culture with consideration of balanced economic, social and environmental benefits. In addition, the Company has also given importance to creating innovations, in terms of both the performance procedures and products, aimed at sustainably generating added values for the organization and all parties of stakeholders, to increase competitiveness potential through knowledge management and an information technology system of international standard.

Practice Guideline

Economic Dimension

- Perform in compliance with the principle of good corporate governance, have morality, disclose data and performance consequences transparently, conduct business transactions in accordance with laws, apart from having efficient risk management.
- Provide equal and fair services to customers through maintaining their security and privacy as principal.
- Devise and develop continuously a wide variety of insurance products and service innovations, with customer centricity, in direct response to customers' demand.
- Provide professional and quick consultation services concerning underwriting and claims work, aimed at generating customers' good impression.
- Maintain the market share, besides creating steady and sustainable business growth.

Social Dimension

- Develop the personnel's potential, aimed at their expertise in insurance business and other significant knowledge regarding work potential development, through a wide

variety of patterns and instruments in line with a personnel resource development guideline developed systematically and in conformity with work positions.

- Oversee employees' well-being with best consideration of their quality of life and working facilities in parallel with generating their commitment to the organization via happy and safe working, apart from creating their pride in being part of the organization.
- Respect the human right of employees and all groups of stakeholders, respect the difference of each individual and treat each other fairly.
- Create awareness among the Company's management and employees at all levels so that everyone is fully aware of the significance of activities that benefit society and realizes it is one's duty to take part in these activities of the Company.
- Support social activities together with other organizations to oversee and assist the underprivileged, the elderly group and those suffering from natural disasters.
- Campaign for networking of the public and private sector and communities to encourage cooperation from many other agencies in helping to fulfil the Company's different projects, as well as to be able to extensively expand assistance in carrying out activities, thus giving the scope to cover all areas of the country.

Environmental Dimension


- Focus on preserving natural resources and the environment and solving the problem of climate change, both through efficient resources and energy management.
- Perform the task of environmental management in accordance with related environmental laws and requirements.
- Make an assessment of environmental impacts whether of water, air, light, sound, garbage or waste in order to be used to define a work plan on environmental management.
- Support and promote training for knowledge or public relations to create the awareness of the environmental preservation and worthy use of resources.
- Support the design of insurance products, apart from the performance of underwriting and claims work which is environment friendly and in conformity with related laws and standards.

The Company has published the Corporate Sustainable Policy on the Company's website: www.bangkokinsurance.com.

SUPPORT OF THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Based on a guideline for an achievement of Bangkok Insurance Public Company Limited's vision of "Aim to be the preferred non-life insurer in Thailand," the Company has focused on a sustainable growth, developing its insurance products and services in direct response to customers' demand, and has attached to its business transactions through being an organization of sound morality, having serious responsibilities to shareholders, customers, business partners, employees, the regulator, apart from society and communities. The Company's guideline for business transactions is in compliance with and connected with the United Nations Sustainable Development Goals on the following topics.

The United Nations Sustainable Development Goals (SDGs)	The Company's Performance	Connection with Significant Issues
 <p>2 ZERO HUNGER</p>	Be a financial guarantee for agriculturists in the case that their agricultural land is damaged, who can get compensation as a fund for further crop cultivation, which will help to reduce risk of the country's long-term food shortage.	<ul style="list-style-type: none"> Take part in the crop underwriting for agriculturists of rice fields and maize for animal raising.
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Generate a guarantee of medical fees in case of sickness or an accident, causing the people to obtain a quality and immediate treatment.	<ul style="list-style-type: none"> Issue a wide variety of health insurance and personal accident insurance products.
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Underwrite renewable energy-producing factories, such as solar farms, wind farms and biomass under comprehensive coverage and appropriate premium rates, aimed at creating the renewable energy business's confidence in its ability to continuously do business and extend work.	<ul style="list-style-type: none"> Issue industrial all risks insurance for the renewable energy business and procure reinsurers of potential, under proper premium rates.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> Be a guarantee of business's ability to continue its transaction in spite of unexpected incidents, generating employment and income for people in society. Encourage the people to take insurance as a guarantee for their life's and family's financial stability in case of an occurrence of unexpected incidents to one's body, health and assets, which will help to relieve the government sector's burden on budget for payments in support of vulnerable or underprivileged groups, for instance, low-income agriculturists, allowing the government to have more budget on a payment for other economy-stimulating projects. Help to generate confidence and be a guarantee of debtors' payment of debts to financial institutions and distributors, causing more release of credit to consumers and the business sector, and an extension of trade, helping to stimulate the economy. 	<ul style="list-style-type: none"> Issue the health insurance policy and cash benefit insurance policy. Join the government sector in underwriting of agricultural produce and economy insurance or micro insurance. Issue insurance as a guarantee for creditors and debtors, such as trade credit insurance, credit insurance and cyber insurance, with coverage for failure to pay for a goods order or goods delivery, from a purchase via an online channel. Issue insurance products for the business sector and industrial sector, such as industrial all risks insurance, business interruption insurance and erection all risks insurance.
 <p>10 REDUCED INEQUALITIES</p>	Diminish the gap of gaining access to an insurance guarantee for low-income people or those living in remote area.	<ul style="list-style-type: none"> Issue economy insurance products, with coverage appropriate for low-income people. Join the government sector in an issuance of economy products or micro insurance. Extend distribution channels via convenience stores and online distribution channels.

The United Nations Sustainable Development Goals (SDGs)	The Company's Performance	Connection with Significant Issues
	<p>Support and encourage customers to improve the environment of their buildings, places or establishments so that they are firm and safe from both the natural disasters and risks caused by recklessness, together with a supervision of business partners, aimed at their cautious business transactions, not impacting surrounding communities and environment.</p>	<ul style="list-style-type: none"> • Provide for a risk survey and advice on the factories' and insured places' system of security and reduction of risk prior to underwriting consideration, besides constantly providing training on risk prevention measures to Commercial Lines Business. • Have a measure on a strict control of contracted garages' performance, aimed at surrounding communities' safety of life, health and hygiene.
	<p>Bring the garbage occurred in the organization to a recycling process for reuse, instead of throwing it away as rubbish to be eliminated, apart from an improvement of business transaction procedures to reduce the use of resources, and the amount of garbage.</p>	<ul style="list-style-type: none"> • The measure on sorting out garbage for reuse in the office building, for instance, the Sorting out Recycled Rubbish in the Office Project, in cooperation with the external expert agency, like Corsair, having collected plastic garbage go through a process of transformation into oil, and SCG, in a project having employees compile used paper in exchange for new paper, aimed at bringing used paper to a recycling process, by a correct method. • A campaign on employees for their support of recycled garbage for external charity organizations, such as old desk calendars for the production of Braille-character media. • Abate the amount of use of paper by asking customers to get an E-policy instead of a document policy. • Develop online channels of an insurance purchase, policy renewal and claims request so that customers can fill out data and deliver related documents online, without having to send their documents in the form of paper.
	<p>Improve the pattern of business transactions to decrease an emission of pollution influencing global warming, besides creating consumers' motivation to resort to the use of products helping to reduce global warming.</p>	<ul style="list-style-type: none"> • Issue an EV car policy to generate buyers' confidence that there is an insurance company's coverage for risk. • Manage energy in the office building to lessen an emission of air pollution, for instance, a change of an air-conditioning system in the office building, helping more to save energy.
	<p>Have a process of wastewater quality control prior to discharging it into public drain pipes.</p>	<ul style="list-style-type: none"> • Have a daily inspection of wastewater quality and an employment of external experts to monthly monitor wastewater quality, aimed at controlling and checking wastewater quality to ensure that it is in accordance with a standard defined by laws, before discharging it into a public drain system.
	<p>Join allies in generating channels of comprehensive access to the Company's products, aimed at creating a guarantee of society's financial stability, apart from cooperating with allies in reducing an amount of waste.</p>	<ul style="list-style-type: none"> • Join allies of a digital platform to establish online distribution channels. • Cooperate with allies having branches and service spots across the country, like the Bangkok Bank, department stores and convenience stores. • Join business partners in reducing an amount of paper use through an issuance of an e-Policy instead of a document policy.

MANAGEMENT OF IMPACTS ON STAKEHOLDERS IN BUSINESS'S VALUE CHAIN

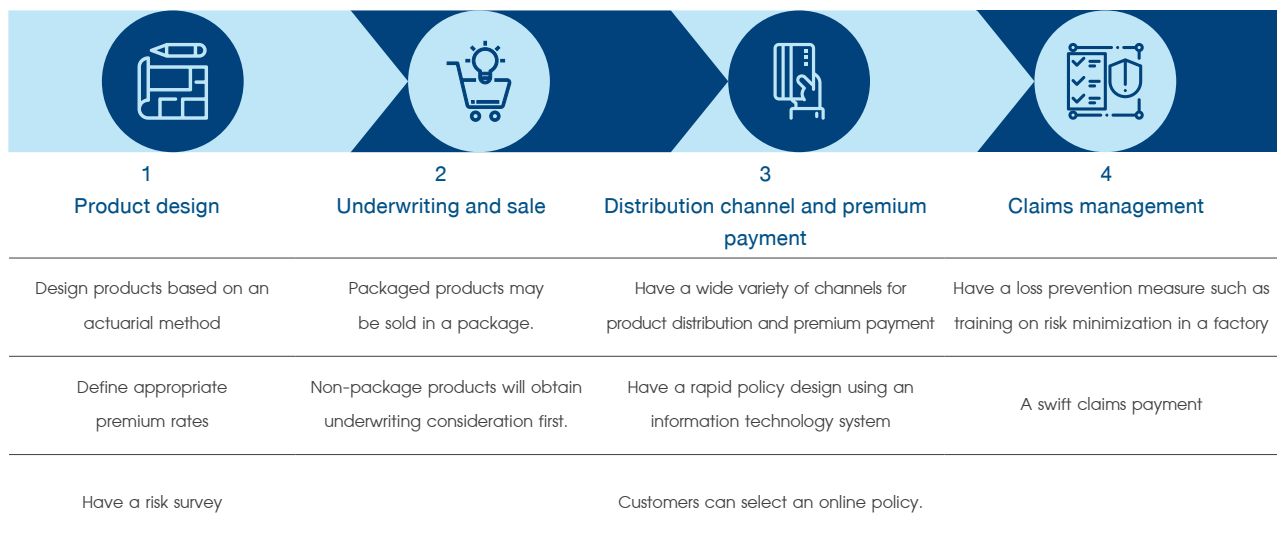
Business's Value Chain

Bangkok Insurance Public Company Limited, as a non-life insurer, has a duty to present insurance products with coverage and premium rates appropriate for and in accordance with the insured's risks. The Company's insurance products have premium rates properly defined with strict consideration based on an actuarial method. Furthermore, the Company has helped its Commercial Lines inspect a risk level in order to define suitable premium rates, besides giving advice on an improvement of the risk condition through a risk survey service by an expert engineer team.

As to the presentation of insurance products to its customers, the Company has implemented it via different channels, both the direct distribution through the Company's channels and online channels and the distribution via the Company's business partners, for instance, agents, brokers, financial institutions and other business allies. When customers have decided to purchase

an insurance policy, the Company has a quick system of policy issuance and delivery for them which is supported by various information technology systems connecting data between the Company and its business partners, the same as when customers choose to obtain an online policy instead of a document policy, which helps reduce an environmental impact of paper usage. Besides, customers can conveniently make premium payments through a wide variety of channels, including a payment on an installment basis, aimed at relieving customers' financial burdens.

Concerning claims management, in addition to focusing on making quick and fair claims payments to its customers, the Company has also given priority to assisting customers, particularly Commercial Lines, in decreasing their loss rate, such as the provision of training on the prevention and reduction of risk in an establishment.



An Analysis of Stakeholders in Business's Value Chain

The Company has realized the significance of stakeholders, who are part and parcel of the support given to the sustainable growth of its business transactions. It is confident that the generation of commitment and sound relationship on a trust basis, apart from stakeholders' opinions and suggestions provided to the Company, is valuable and will result in the Company's fulfilment of its goals as an organization with sustainable development and growth. In addition, the Company's

balanced and efficient management in response to all groups of stakeholders' expectations, generating benefits for them, can help drive the Company toward a sustainable organization. The Company has a policy of treatment of its stakeholders identified in the section "The Policy on Good Corporate Governance", which may be further studied in the website at <https://www.bangkokinsurance.com/company/policy>.

The Company has 8 groups of stakeholders as the following:



The Company has identified stakeholders based on the consideration and analysis of the organization’s value chain, through a study and analysis of impacts incurred by the Company on stakeholders and vice versa, in acknowledgement of stakeholders’ expectations.

The Process of Generation of Participation with Stakeholders

01	Define the essence of implementation Implementation consequence: Summarize the scope and objectives of participation generation.
02	Identify stakeholders covering those both inside and outside Implementation consequence: Summarize stakeholder groups both inside and outside the organization.
03	Formulate a plan and define a guideline for participation generation Implementation consequence: A plan on a survey of representatives of stakeholders to generate the participation.
04	Implementation consequence A consequence of a survey of stakeholders’ expectations or demands.
05	Evaluation and analysis Implementation consequence: A report summarizing implementation consequences.
06	Draft a future guideline Implementation consequence: Strategies, projects and guidelines for the future generation of stakeholders’ participation.

In 2021, the Company had reviewed an implementation of its participation with stakeholders throughout a business chain, aimed at obtaining stakeholders' demands or expectations, by carrying out different patterns of activities which included the following.

The Company's Stakeholders

Shareholders	
<p>Expectation</p> <ul style="list-style-type: none"> • Business transaction based on corporate governance • Remuneration and sustainable growth <p>Practice Guideline</p> <ul style="list-style-type: none"> • Fairly provide for the right to attend shareholders' meeting and receive remuneration • Attach to business transaction in line with the principle of good corporate governance • Transparently, reliably and timely disclose data • Not use insider information which is not revealed to the general public to seek any advantage for themselves and related people 	<p>Participation Channel</p> <ul style="list-style-type: none"> • Shareholders' annual general meeting • Open a wide variety of channels for reception of opinions, suggestions and complaints • Transparently and timely communicate and disclose the Company's data via the SET and the Company's website • Meet analysts
Employees	
<p>Expectation</p> <ul style="list-style-type: none"> • Proper remuneration and welfare • Knowledge development and advancement opportunity • Overseeing and maintaining the safety, health and environment for work performance • Respecting the rights, as well as fair and equal treatment in work performance • Balance in working life and personal life <p>Practice Guideline</p> <ul style="list-style-type: none"> • Constantly review remuneration and welfare • Have a plan on staff training and development for growth in their career path • Arrange for working environment which is safe, hygienic and favorable to work performance • Define a policy on human rights and fair treatment of labor • Creation of organization culture of a learning organization and organization of happiness 	<p>Participation Channel</p> <ul style="list-style-type: none"> • Open a wide variety of channels for reception of opinions, suggestions and complaints • Assessment of work performance • Conduction of staff training and development • Internal communication via different channels

Customers

Expectation

- A wide variety of products in response to customers' demand, and reasonable price
- Honest and quick quality service in direct response to customers' demand, or higher than their expectation on a fair and moral basis
- Provision of accurate data and information and knowledge to customers
- Preservation of customers' privacy and personal data

Practice Guideline

- Design and develop new products and service channels in response to customers' demand
- Development of innovations and information technology to upgrade all-inclusive services
- Provide for a particular work unit for receiving customers' complaints and suggestions
- Fair treatment of customers
- Develop a cyber security maintenance system to counter the violation of customers' personal data

Participation Channel

- A survey of customers' satisfaction
- Reception of complaints via different channels
- Meeting customers via myriad activities
- Data disclosure via the Company's website

Business Partners

Expectation

- Perform in strict compliance with an agreement on an equal and fair basis
- Conduct business transactions in compliance with the principle of good corporate governance and corporate conduct code

Practice Guideline

- Define clear criteria for a selection and assessment of business partners
- Reception of fair remuneration for both sides
- Provision of equal data and information
- Keeping trading secrets
- Define an anti-corruption policy

Participation Channel

- A survey of business partners' satisfaction
- Open a wide variety of channels for reception of opinions, suggestions and complaints
- Meeting business partners via a meeting and activity
- Data disclosure via the Company's website
- Provide training for knowledge relating to and necessary for business transactions

Competitors

Expectation

- Fair competition under the framework of laws

Practice Guideline

- Focus on competition for the quality of products and services for customers' benefits

Participation Channel

- Exchange of data between each other
- Meeting

Creditors

Expectation

- Treat all creditors on a fair, equal and honest basis
- Payment of debts at due time

Practice Guideline

- Strictly honor a promise and commitment made to creditors
- Management of funds so that they possess appropriate structure

Participation Channel

- Meeting
- Data disclosure via the Company's website

Society

Expectation

- Constantly support activities benefiting society and the environment
- Natural resources conservation and environmental development
- Conservation of archaeological sites
- Support education

Practice Guideline

- Constant provision of support and assistance to localities in cooperation with other agencies
- Campaign for a reduction in power energy use
- Campaign for environmental preservation

Participation Channel

- Open a wide variety of channels for reception of opinions, suggestions and complaints
- Carrying out activities for society

The Government Sector

Expectation

- Conducting a business transaction under the requirements of laws and maintaining a good relationship with the regulator
- Attaching to the principle of good corporate governance

Practice Guideline

- Meeting, seminar and taking part in the government sector's activities
- Provision of data to the regulator
- Various communication channels between the Company and the regulator

Participation Channel

- Meeting and taking part in the government sector's activities
- Provision of data to the regulator
- Various communication channels between the Company and the regulator

DEVELOPMENT OF PRODUCTS AND INNOVATIONS FOR SUSTAINABLE GROWTH

—

With the awareness of and care for its customers in every step, the Company has constantly created new innovations through development of products, services, working procedures and distribution channels so as to be in compliance with the current situation and generate the benefit to customers, business partners and consumers, being able to respond to all their needs and greatest satisfaction. In 2021, the Company developed the following products and service innovations.

Product and Service Development

COVID-19 Vaccine Insurance

The Company has developed an insurance policy for being allergic to COVID-19 vaccine in response to those getting a vaccination. The Company is the first insurance company to develop a policy with coverage for people allergic to the vaccination preventing an infection of COVID-19 and having to be hospitalized, with coverage for both the medical fee in case of being an inpatient and consolation money in case of being hospitalized for no less than 5 days, including any illness such as coma or final-stage sickness. In addition, the coverage also includes loss of life, loss of organs and vision, or permanent disability caused by an accident. This insurance plan is applicable to an insured aged 0-100 years, with the premium starting from Baht 99 per year.

Personal Cyber Insurance

The Company has realized the significance of being in response to risk from the current situation in which people prefer to buy and sell goods online through the convenience and fastness of technology, and has therefore issued a cyber insurance policy in reply to all needs, covering all groups of the Internet users, whether a person, company, organization or establishment, aimed at generating the confidence for those doing an online transaction, or buying or selling goods online. The policy coverage includes damage from risks which may occur from a transaction on the Internet, with 3 coverage plans to be selected, as appropriate, by users, namely, Plan 1 appropriate for the general public doing an online transaction, Plan 2 suitable for

those purchasing goods online, and Plan 3 proper for those buying and selling goods online, with a starting premium of Baht 200 per year.

Supersave Cancer Insurance

The Company has developed a new and more convenient pattern of online cancer insurance policy plan called Supersave Cancer insurance, covering all kinds and all stages of cancer (except skin cancer) detected for the first time, with the sum insured of Baht 100,000, besides additional coverage of Baht 20,000 for chemotherapy and/or radiation therapy, totaling Baht 120,000 coverage. This insurance plan is applicable to an insured aged 0-54 years and can be renewed to 65 years, with a fixed premium rate starting from Baht 500 per year. Those interested can apply for the policy via the Company's website at bangkokinsurance.com.

Health IPD+OPD Plan

The Company has developed Health IPD+OPD plan in response to customers' health-loving lifestyle, with comprehensive coverage, for both IPD and OPD cases. There are 3 plans with the sum insured of Baht 1,000,000 which are applicable to an insured aged 16-60 years and can be renewed to 65 years. The detail is listed below.

- The benefit of IPD medical expenses, with the sum insured of Baht 1,000,000, in an amount actually paid, without a limit to the amount per treatment throughout the policy period.

- Coverage for expenses on room, food, and general service fees, maximum room expenses of Baht 8,000 per day for normal patients and Baht 16,000 for seriously ill patients.
- Coverage for an OPD treatment, maximum medical expenses not exceeding Baht 2,000 per treatment, one treatment per day and 30 treatments per year, maximum benefit of Baht 60,000.
- Increase the convenience of an OPD treatment via Telemedicine and services from a quality drugstore network in Bangkok and periphery through the Clicknic Application.

Furthermore, customers can use the right of maximum tax reduction of Baht 25,000, based on the condition defined by the Revenue Department.

Motor Insurance for Electric Vehicles

The Company has seen a growing trend of electric vehicles which are increasingly used both inside and outside the country, with more extension of the domestic electric vehicle market. Consequently, the Company has begun and been prepared to expand its comprehensive motor insurance for electric vehicles, with all risk coverage and different premium rates based on the vehicle batch.

Marijuana and Hemp Insurance

The Company is one of the initiators in the design of an insurance plan for the economic crop of marijuana and hemp to generate the confidence for those having a license to grow marijuana and hemp legally, both the outdoor cultivation and cultivation in a greenhouse, including an indoor cultivation, providing coverage for complete damage done to marijuana and hemp trees 7 days beyond the waiting period, caused by principal risk, for example, a storm, hail, flood, fire, lightning and wildfire, apart from bumping, collision, pushing, or trunk breaking done by wild or domesticated animals not belonging to the insured, including providing additional coverage for an earthquake, theft, pillage or robbery. The Company will underwrite marijuana and hemp trees aged not exceeding 30 days starting from the growing date, with coverage duration of 180 days, or termination when harvesting produce.

Develop Electronic Care Cards to Increase Convenience for Customers' Hospitalization

The Company has developed its electronic care cards to facilitate customers' hospitalization by just showing their electronic care card and identity card for hospitalization throughout the period of coverage. Customers will obtain an electronic care card from which they can conveniently retrieve and see data via a LINE @bangkokinsurance channel or an application BKI

iCare, apart from helping to reduce a loss of cards and saving storage space, such as policy details, coverage, medical fees, expenses for a room and doctor, and other expenses.

Increase Insurance Distribution Channels via Online Distribution Tools for the Company's Agents

The Company has provided convenience to its agents in their insurance distribution to customers through an increase in online distribution channels for the Company's agents following the Office of Insurance Commission (OIC)'s approval, on July 23, 2021, of the use of an electronic method complementary to policy distributions. Each of the Company's agents will possess a personal Link which can be sent to customers. When customers click on such Link, they will have access to the Company's website for a purchase of insurance products and receive an e-policy.

The Company is increasingly implementing an arrangement of insurance products for a distribution via online channels, aimed at an extension of a customer group interested in buying products via an online channel.

Information Technology Development Provision of Services via Safe Technological Innovations

Currently, the business transaction environment has tremendously changed from the past due to the technology growing at a jumping pace, causing the Company's having to adapt itself to changes to be able to attain a continuous and sustainable business transaction. Accordingly, the Company has applied technological innovations in support of its performance, aimed at competitive advantages and enhancing the efficiency and convenience of access to services, apart from creating sound experiences for customers. Meanwhile, the Company has realized latent risk, both the information technology risk and cyber threat risk, which currently has a higher trend and develops a wide variety of attack patterns, such as theft, destruction, data modification or fake, which may cause an impact and damage.

Bangkok Insurance has been aware of the importance of an introduction of advanced technology with consideration of risk management, prevention of cyber threat and determination to take care of data security, including protection of customers' personal data, aimed at the prevention of data theft, data leak, use of personal data in contrast to its objective or without data owner's approval, all in parallel with a retention of convenience of proper access to the system, particularly access to the system from external work performance. These things will become

a significant mechanism for generating all groups of stakeholders' confidence and trust, besides promoting an application of technology to the enhancement of the efficiency of safe performance.

Policy on Information Security and Cyber Security

To generate the confidence of a control to be in compliance with its policy on information security, the Company has applied the ISO 27001:2013 to its information system through the determination of policies relating to information security, implemented under 3 significant principles, namely, system and data confidentiality, system and data integrity, and information technology availability. Additionally, there is an annual internal audit and external audit, while the policy is reviewed at least once a year in accordance with changes and the trend of risk in the future which may affect information security. The policy comprises of the following principles.

1. Information security management
2. Information technology structure management
3. Personnel resources security
4. Information assets management
5. A control of data access
6. Access to data password
7. Place and environmental security
8. Performance security
9. Communication security
10. Secure system development
11. Security of services derived from service providers
12. Management of the violation of information security
13. Management of information system continuity
14. Compliance with laws, standards and regulations
15. Users' security
16. Cyber security

Note: A full copy of data may be viewed via the Company's website at www.bangkokinsurance.com.

Management of Information Security and Cyber Security

The Company has clearly managed its information security and cyber security in conformity with international standards and those of the Office of Insurance Commission (OIC), via an application of advanced technology to surveillance and detection of abnormal situations or incidents which may cause damage to the Company's data and information system, to ensure that such a system is protected or corrected immediately when a loophole is found. Furthermore, the Company has its staff performing on coping with cyber risk steadily developed for their

skills and knowledge so that they are prepared to prevent and handle cyber threats, apart from establishing related sections/committees/officers as the following:

1. Establish the IT Security Division
2. Establish the Information Technology Security Committee
3. Establish the Information Security Management Committee
4. Establish the Cyber Incident Response Team
5. Establish the Data Protection Officer (DPO)

Note: A full copy of data may be viewed via the Company's website at www.bangkokinsurance.com.

Management of Personal Data Protection

Based on the Personal Data Privacy Act (PDPA) B.E. 2562's declarations, the Company has given greatest priority to personal data security, whether general personal data or underwriting data, with constant awareness that the Company has customers' and related stakeholders' confidence and trust of using its services.

The Company has established Data Protection Officers overseeing personal data security, ranging from the data collection inspection, usage, storage, to dissemination, besides providing consultation on practice guidelines and advice on performance in compliance with the PDPA to data controllers or data processors, including monitoring performance so that it is in accordance with PDPA requirements, and coordinating and cooperating with the Office of Personal Data Privacy Committee in case of arising problems.

As to operations, the Company has consistently provided for training of all its staff for their knowledge and understanding of the PDPA, and has applied an information technology system to the prevention of personal data leaks, apart from formulating a data breach management plan, etc.

Other Implementations

1. Vulnerability Management: To detect the information technology system's significant loophole and use the consequences to correct and prevent threats which may occur. In 2021, there had been an assessment of significant loopholes in the final quarter.
2. Penetration Test: To test the system penetration of the Company's significant applications and networks, carried out by vendors. In 2021, there had been an assessment of penetration of significant systems in the final quarter.

3. Security Awareness Training for employees to encourage them to have better knowledge, understanding, awareness and caution, through 2 principal training topics comprising of
 - 3.1 Information Security: Give priority to cyber threats and use of an information technology system, through the training topics of social engineering, e-mail phishing and general knowledge of security in one's workplace.
 - 3.2 Personal Data Privacy Act (PDPA).
4. Technical training and seminar on cyber security maintenance, and overseeing personal data: To promote and increase operators' skills, knowledge and capability, including steadily participating in seminar on an updating of new technologies or trends relating to one's performance via online seminar channels. In 2021, the Company's staff received training on the following topics.
 - SOC (Security Operation Centre) Operation on April 26-28, 2021.
 - Certified Data Protection Officer (C-DPO) on September 20-23, 2021.
 - CyberSec First Responder on November 8-12, 2021.
5. Management of Business Continuity Plan (BCP): To provide services and operate continuously despite a crisis, aimed at preserving the interest of customers, business partners and stakeholders. The plan will be used to respond to an internal and external situation or crisis, causing the business to stop short, for instance, disaster, accident, sabotage, stagnation of the public service sector, and serious epidemic. There is a response plan once a year.

In 2021, due to a situation of the spread of COVID-19, the Company had a policy for its staff to work from home, as necessary and appropriate, in order to reduce infection risk and in response to the government policy. However, the Company still gave importance to the security of access to work systems, for example, having to have multi factor authentication prior to access to a work system, and appropriately monitoring usage and related resources throughout the period of 'work from home' in 2021.
6. Phishing Simulation: To promote employees' learning and development of immunity to cyber threats via phishing an e-mail to them to test whether they are cautious or not, or whether or not there is pressing of link in e-mail phishing, and/or filling out of data on the fake web page sent for a test. In 2021, there were 2 tests in the third and fourth quarters.
7. Cyber Incident Response Plan: Based on the OIC's declarations, aimed at encouraging an understanding of a cyber risk situation and generating collective understanding of the Cyber Incident Response Team (CIRT)'s response to emerging cyber threats, and at being used for risk management, a response to an emerging incident to ensure the Company's continuous information technology operation, apart from minimizing an impact on information and data, and information networks, including allowing the business to operate consistently and creating confidence among customers or stakeholders all the time. There was a plan response once on December 3, 2021.

Future Information Technology System Development Project

The Company has had a policy on steady technological investment so as to select insurance innovations for the development of products and services in response to customers' demands and greatest satisfaction, worthy of the Company's slogans "Your Caring Partner" and "Bangkok Insurance aims to be the non-life insurer in Thailand".

As a consequence, the Company has a plan to invest in technology raising higher standards of its insurance services through a current study of an adjustment of the Company's core underwriting system via advanced, developed and universally designed technology, aimed at helping the Company's performance, data management and enhancement of its insurance service system.

The Company also has a plan to apply digital technology to the insurance business, for instance, technology related to insurance distribution and a plan on the development of an online distribution system in the form of Personalized Insurance, using Google Cloud Technology to assist in the data management and analysis of customers' behavior, aimed at an insurance distribution in response and relevant to each customer's lifestyle, including having a plan to introduce technology increasing channels of and facilitating customers' claims report or premium payment, and technology helping to abate the steps of claims work, such as using AI instead of a human to analyze a car's damage, aimed at raising higher quality of services to customers or business partners

In addition, the Company has also given priority to being a data-driven organization using a database to drive business forward, focusing on encouraging the management and employees to analyze data in support of business decision-making, for both the underwriting and claims work, and development of products in response to demands of customers in each target group, leading to development of services and products actually responding to customers' demands, for example, an issuance of products pertinent to each customer's lifestyle through an expectation of his/her demands, and offering what is most approximate to customers' demand.

Responsibility to Customers and Business Partners

Relief of Suffering of Those Affected by the COVID-19 Situation

Facilitation of COVID-19 claims request

To facilitate customers infected by the COVID-19 disease, the Company has arranged claims channels and delivery of related documents for COVID-19 claims request as follows:

Channel of claims request, section Detect Pay End Customers can submit a RT-PCR examination certificate, ID card and first page of an insured's account book via the following channels.

- www.bangkokinsurance.com
- Line @bangkokinsurance

Channels of claims request, section Other Coverage includes

1. Medical expenses.
2. Expenses on examinations of family members' COVID-19.
3. Expenses on residence cleaning

Customers can submit related documents via the following channels.

- By mail at the Personal Accident and Health Claims Division, Non-Motor Claims Department (4th floor) Bangkok Insurance Public Co., Ltd., 25 Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok, 10120
- Submit related documents by oneself to an officer at Bangkok Insurance Building (First floor) and branches nationwide.

In this connection, customers can check the COVID-19 claims request situation via the Company's website www.bangkokinsurance.com, while the Company will report on each step of consideration result to customers via SMS and transfer claims to an insured's account within 15 days, starting from the date the Company has received complete related documents.

The premium payment relief measures for customers affected by the COVID-19 situation

To relieve the suffering and burden of customers affected by a situation of the spread of COVID-19, which has continuously existed since 2020 until now, the Company has a measure for an assistance in their premium payment. Customers taking any classes of insurance, for both a new policy and policy renewal, can make a claims payment, with 0% interest, on a 10-month installment basis, via a credit card partner.

Measure for premium payments on installment basis

- Individual customers for all types of insurance with an insurance premium of at least Baht 5,000 up shall be eligible for this offer.
- Insurance policies shall be effective from January 1 - December 31, 2022 and insurance premiums must be paid by due dates.
- Bangkok Bank offers up to 10-month installment payments.
- Bank of Ayudhya, Kasikorn Bank, Siam Commercial Bank, Citibank, and Krungthai Card (KTC) offer up to 6-month installment payments.

Furthermore, the Company has responded to the Office of Insurance Commission (OIC)'s policy by participating in the Helping to Relieve the Impacts on the Insured project in the case that Asia Insurance Public Co., Ltd. 1950 was revoked of a license for non-life insurance business transactions. Customers holding Asia Insurance's policy can use, instead of cash, premiums to be derived from the General Insurance Fund to buy all classes of the Company's insurance except COVID-19 insurance.

Data Disclosure

The Company has disclosed its data and information, activities and movements through such channels as BKL News, email, annual report, and the Company's website at www.bangkokinsurance.com, Facebook Bangkok Insurance and Line@bangkokinsurance in order for its customers and business partners to access its data at all times, for instance, the Company's operations, financial standing, new products, benefits and welfare, and activities.

For new customers interested to buy insurance, they can immediately download detailed documents of policies or calculate their premiums via the Company's website at www.bangkokinsurance.com for a consideration of the coverage detail prior to a decision to buy insurance.

Implement Standards for Creating Secure Credit Card Payment

To generate confidence for its customers using a credit card to pay for premiums, the Company has implemented a measure for preventing a breach of credit card data in conformity with the Payment Card Industry Data Security Standard (PCI-DSS) defined by a group of major global companies providing a credit card service, such as Visa, Mastercard and JCB. Under this Standard, the Company performs based on the measure established to ensure that customers' credit card data is strictly and safely kept, while only the concerned officer can have access to such data, for example, the determination of employees' rights to access credit card data, examination of a criminal record of staff having to be involved with credit card data, arrangement of a restricted area for keeping credit card data documents, and steady improvement of an IT system's security patch to prevent a cyber-attack. These measures will cover all channels in which a customer uses a credit card to make a payment, whether a payment of premiums at the counter of the Company's Accounting and Treasury Department and regional branches, or a payment via the Internet.

Reception of Complaints and Recommendations

The Company has given priority to a reception of complaints from customers using its services and those who are not its customers, in the case that they have found performance which is not in compliance with sound practices in response to the satisfaction of customers or society on the whole. In this regard, the Company has assigned its Quality Control Center to be in charge of receiving complaints and listening to comments and recommendations from customers and business partners, under its international standard quality management ISO 9001:2015. Such complaints may be filed through all channels, for instance, phone number identified in an insurance card, the Company's website at www.bangkokinsurance.com, BKL Care Station in department stores, or social media channels, such as Facebook, Line OA and Twitter. Similarly, the Company has made an External Customer Complaint Report, informing sections concerned for a preliminary problem solution and the determination of prevention measures, aimed at countering repeated problems, in accordance with the quality management system's practice method, apart from the Quality Control Center's making a phone call and following up and enquiring about customers' satisfaction after obtaining the Company's service, for an improvement of the quality and development of more efficient working procedures and services, which can respond to customers' demand and provide them with the greatest satisfaction. In 2021, the Company did not receive any customers' complaints on a personal data leak.

CREATION OF SUSTAINABLE SOCIETY

Social Policy and Practice Guideline

The Company is confident that practice guidelines relating to a social dimension, both societies inside and outside the Company, including the management of the organization's personnel resources and other groups of stakeholders, namely customers, business partners, cooperative partners, suppliers, communities and society as a whole, have been implemented accurately and compactly, besides taking into account all levels of stakeholders in all dimensions. Such guidelines have been carried out through practices in compliance with a policy on personnel development, policy on the generation of culture of fair treatment of customers, policy on remuneration payment, policy on safety, hygiene and working environment, human rights policy, and policy on organization development for sustainability, all with the aim that all group of stakeholders have sound quality of life and gain respects based on the human rights principle.

For an expression of its intention via other policies, such as a policy on personnel resources management, policy on personal data privacy, etc., the Company's arrangement for them is underway, which is expected to complete in 2022.

Social Performance Consequences

1. Disclosure of Social Data

The Company has completely disclosed, in its report presentation form (One Report), data on the consequence of its social performances, for instance, fair treatment of labor and respect of human rights, development of staff's potential, taking care of staff, as well as hygiene and safety for working environment, participation with communities and society, and participation with business partners and customers.

2. Fair Treatment of Labor and Respect of Human Rights

The Company has conducted its business based on the principle of good corporate governance and has focused on sustainable business growth in parallel with a promotion and driving of the respect of human rights throughout the organization, aimed at all group of stakeholders' fair and equal reception of basic rights. The Company has practiced in strict compliance with the domestic and international human rights guideline or principle, particularly a support of and practice based on the Universal Declaration of Human Rights (UDHR), the International

Labour Organization (ILO) Conventions, and the UN Guiding Principles on Business and Human Rights (UNGPs). The Company has declared its policy on human rights for an enforcement within the organization from 2022 onwards, through an implementation of activities in accordance with such policy, as the following:

Employees' Right and Participation

- The Company has set a target of communicating its working policy, aimed at generating an understanding of a corresponding performance direction, at a ratio of 100 percent. In 2021, the Company was able to communicate its working policy to all employees through its top management, carried out in January and November 2021, reaching 100 percent of the target defined.
- The Company has all its employees informed of its daily performance, divided into business units.
- The Company has arranged an Intranet system under the name BKI CONNECT, as a channel for its employees to conveniently and quickly gain access to the Company's information and data, rules and regulations, as well as interesting external information, besides being a channel in which employees can express their opinions on the Company or conveniently exchange data among themselves, consisting of such items as BKI Knowledge, Law and Regulation, HR News, Upcoming Events, News Update, Photo Releases, etc. In 2022, the Company will develop a SharePoint system in order for employees to gain access to the afore-mentioned data via the Intranet system, which is flexible and usable in all places, and to have access to data all times, in accordance with current changing working patterns.
- The Company has a variety of committees and working groups, with executives and employees from different sections taking part in the performance, aimed at formulating policies and planning performance to achieve the Company's objectives and goals established, for instance, the Sustainable Development Committee, working group of blood donation, working group of sports club, working group of recreation, working group of work procedure development, etc.

Fair Treatment of Labor

- The Company has had fair treatment of labor in strict compliance with related laws, for instance, the Labour Protection Act, Labour Relations Act, Workmen's Compensation Act, Social Security Act, Provident Fund Act, the Ministry of Labour's Declaration on Employees' Working Safety and Minimum Wage, Code of Civil Laws on Labour Engagement, etc.

In this connection, the Company has the HR Compliance Division responsible for the overseeing, study and analysis to ensure that there is a practice in accordance with laws and requirements of sections relating to personnel management, including regularly monitoring and improving rules, regulations and practice guidelines so that they correct, appropriate and up-to-date.

- The Company has nominated and selected people having knowledge, capability, morality and ethics to work for it. They all have an equal opportunity for a selection through a written examination and a competency-based interview in accordance with the Company's standard, without regard to sex, race or religion. The Company does not engage persons under 18 in employment.
- The Company has defined a clear job description and has updated it regularly, and has it interviewers informed of it, as a guideline for raising questions prior to a job interview.
- All employees have an equal chance to request a job transfer to a job description appropriate for and corresponding to their skills and expertise, via a neutral consideration procedure based on the Company's standard.
- All employees have an equal opportunity to get a promotion and adjustment of position without any discrimination. The Company has employed an external organization to measure and make an assessment of employees' capability, with consideration of test consequences and the data of employees' work performance and characteristic over the past time.

Number of Significant Labor Disputes over the Past Year and Management Measure

The Company has set a target for labor treatment through its BKI Happiness Employee Advocacy Research project, aimed at being informed of operating employees' opinions on the level of their performance satisfaction. The most recent survey in 2020 revealed that the Company got an average score of 84.57 percent, after which the survey result and comments obtained were used to improve and develop a more appropriate personnel resources management system.

In 2021, the Company did not have significant labor disputes or demands.

Number of Disabled and/or Underprivileged Employees

The Company has employed disabled employees in conformity with the Promotion and Development of the Disabled's Quality of Life Act. In 2021, the Company employed 2 groups disabled persons as follows:

Group 1 Employ 3 disabled persons with eyesight, performing at the Company's headquarters in the position of telephone operators.

Group 2 Employ 13 disabled persons with eyesight and movement, in the form of a service contract to perform in organizations of public benefits at their own domicile, for instance, massage work in a municipal public health service center, public service jobs in a sub-district's hospital promoting health, administrative work or assistant teachers in a community school, etc.

3. Development of Employees' Potential

The Company has been aware of the significance of personnel development by providing for a guideline supporting employees' learning, aimed at developing to their full ability, apart from organization development to become a learning organization, through a provision of training and development in various patterns so that employees can apply their knowledge to the performance of their work, generating the greatest benefit for the Company, via the knowledge management procedure, such as the creation, compilation, exchange and transfer of knowledge within the Company.

Over the past years the Company has developed its personnel, focusing on raising their efficiency and promoting a concrete learning atmosphere, through the Company's personnel development guideline as the following:

The Company's Personnel Development Framework

The Company's personnel resources development uses the concept of competency as a target for human resources development, aimed at obtaining personnel having qualifications and characteristics required by the organization, besides personnel having capability to push the organization forward in accordance with the Company's strategic plan leading the organization to accomplishments as targeted. The Company has personnel development framework as a guideline for promoting its employees' learning called "BKI Learning Journey," ensuring the personnel's skills, knowledge and capability in compliance with the organization's vision and covering its competency. The level of development based on the competency is divided into 3 levels as follows:

1. General Competency

is basic competency for all employees to have knowledge and understanding of the organization's significant and fundamental knowledge.

2. Functional Competency

is competency defined for each type or characteristic of work, which is capabilities varying with the duty assigned.

3. Managerial Competency

is competency varying with the level of responsibility or line of service, reflecting the expectation of the level of competency which employees have to possess before being assigned to more responsibilities.

In this regard, the training and development, technical procedures and knowledge transfers have been designed in response to personnel development in accordance with each level of competency. In addition, the Company has designed and developed its training courses in compliance with the 3 levels of competency as well, through an annual training plan containing a Training Needs by Position course, including courses based on Learning Journey, for all employees to be developed continuously, promoting employees to have knowledge and skills essential to work performance, including an ability to perform accurately corresponding to their superior's and the Company's expectations. The Company has also clearly and correctly informed its employees of the necessity of self-training and self-development, and the scope of training topics in their career path throughout the work line, apart from giving priority to personnel development both in the forms of hard skills and soft skills.

As to the training and development direction, the Company has required it as a cooperation among the Company, superiors and employees, besides injecting a mindset for employees to aspire to lifelong learning and self-development via an adaptation of a learning model of development guideline of 70:20:10 for use in the organization, as the following:

1. **On-the-Job Experience 70%** is an arrangement of 3 phases of training and learning from actual performance reaching a performance period of 3, 6 and 12 months, which is a personnel development plan for employees' performance in the first year, aimed at their learning of work under responsibility, and an ability to perform their work derived from on-the-job experience under the supervision of a section head.
2. **Mentoring/Coaching 20%.** The Company has provided for a mentoring system, in which more experienced staff are assigned to act as mentors for new staff, besides lending help and support and providing advice to personnel with less working experience, including coaching staff in the performance of their work so that they perform accurately and appropriately, as well as learn the organization culture and how to conduct their life within the organization.
3. **Formal Learning 10%** is learning from training. The Company has provided training courses having efficiency of generating learning via experiences for employees to actually apply to their performance and to be flexible to learn new things to which they are not accustomed, not only training for skills and knowledge but also personnel development appropriate and modern in terms of technology, equipment, methods and creating employees' attitude to promote the organization's learning culture, including focusing on training and development establishing a concept of an agile working pattern for employees.

Overall Training and Development

Training and development is considered the biggest activity of an organization's personnel resources development and a systematic procedure of development of performance, knowledge and skills. The Company has designed its training as more than just a provision of knowledge but also development of new experiences generating employees' potential and better performance after training, resulting in new and endless explicit knowledge. The Company's pattern of training and development includes the following.

1. In-House Training

All levels of employees starting with new ones will obtain knowledge and skills fundamental and essential to work performance, such as knowledge of insurance business, management knowledge, knowledge of an increase and development of working efficiency, as well as knowledge and skills essential to the creation of one's potential to move to a higher position, each training course covering and in accordance with the organization's capability. The Company has constantly provided its employees with training by speakers expert in various fields so that the employees can efficiently apply knowledge learned to their work performance. For 2021, the Company had a total of 29 in-house training courses for 70 classes.

In this regard, the Company has defined indicators measuring the training and development outputs for its in-house training. In 2021, as to the result of a training assessment for all levels of employees obtaining knowledge corresponding to the objectives and being able to apply it to their work performance, the Company had set a target at 90 percent and an evaluation consequence was at 97.61 percent, with 100 percent of 90 employees having to receive Training Needs by Position courses within the time defined.

2. External Training

Training and development outside the Company is another way in which it has encouraged its employees to develop their knowledge, viewpoint and attitude besides receiving in-house training provided by the Company, which supports training and development in the following forms.

- 2.1 A study of an insurance course with a vocational institution acceptable to universal business. The Company has supported its employees who wish and the Company sees the necessity to get training on insurance carried out by the Chartered Insurance Institution (CII), Australian and New Zealand Institute of Insurance and Finance (ANZIIIF) and Thailand Insurance Institute (TII).
- 2.2 Training/seminar of skill and knowledge development courses essential to work performance or working efficiency development, including the generation of new knowledge to keep pace with an era and changes. The Company will consider sending related employees to take part in training/seminar carried out by external institutions expert in each field and occupation both inside and outside the country.

2.3 A support of learning a foreign language skill. The Company has allowed its employees having to develop this skill, to be used in their work performance, to study in institutions certified with a sound standard from a related government agency.

2.4 A support of scholarships for a master's degree study to staff studying in the field related to the Company's business transactions, helping to generate new experiences and viewpoints, besides professionalism. In 2021, the Company granted 4 scholarships to staff studying for a master's degree in various fields in the country's outstanding institutions.

In 2021, the Company had provided its employees with a total of 176 external training courses.

Courses on Personnel Resources Development

The Company has provided for courses on skill development, knowledge provision and molding a desirable character so that employees can efficiently and effectively perform the work assigned to them, apart from supporting the organization's objectives and goals through training and development. The Company has provided the following training courses.

1. Insurance course: The Company has provided for a training and development course, offered by the Company's special speakers from various sections, relating to various classes of insurance, ranging from basic to advanced courses having detailed contents with practicability, through providing basic knowledge to all the Company's employees and focusing on having staff of insurance work obtain profound insurance knowledge correctly and appropriately for a practical use. Besides being the management of the Company's existing knowledge and further creation of its sustainability, the Company has also trained its employees to sacrifice and be informed of communicative skills, apart from transferring their knowledge to others, all of which will help employees to really develop their knowledge.
2. A course on the development of working skills and efficiency: The Company has established a training course on integrated learning via a search for personnel's and sections' demand for training, aimed at development of skills and better work performance, besides causing more performance satisfaction for employees. Training therefore helps to generate employees' skills appropriate to work currently on hand, apart from helping to develop their skills and capability proper to their future position.

Significant Trend Influencing Personnel Resources Development

A confrontation with the crisis of the spread of COVID-19 at present has resulted in rapid changes in various aspects, influencing and motivating the Company to adapt itself as well. As to its personnel development, the Company has regarded it as a significant issue and has focused on enhancing the organization's employees' learning efficiency so that the latter can fully apply their knowledge, skills and capability in a way different from the past, aimed at retaining an ability to develop employees' knowledge and skills during an abnormal period, through an adjustment of the pattern of activities appropriate to the current situation.

The Company has steadily supported the generation of learning and has encouraged its employees to be able for self-management, via an adjustment of learning strategies to be more appropriate to the situation, and having more patterns of employees' training and development proper to a hybrid workplace, through virtual training and online training via such supporting programs as Microsoft Teams, Zoom, Google Meet, etc., which is a learning pattern supporting employees' learning at all places, not attaching to time or places. Furthermore, the Company also has 3 e-learning training courses provided to employees via electronic media, namely, ISO course, Enterprise Risk Management course and Information Security Awareness course, all of which have been provided, constantly and every year, to related staff at all levels in support of their self-learning and self-management skills, helping to promote staff's learning throughout their life.

Besides, the Company has also provided specific-purpose courses encouraging employees to be able to better adapt themselves to current situations, for instance, the Boosting One's Immunity via Mind Vaccine course which is designed for staff to have a guideline for an adaptation to a changing working pattern of Work From Home, and be able to cope with rapidly changing circumstances due to a critical situation of the spread of COVID-19, causing employees to be worried about both their health and that of family members, apart from the economic and social situations, leading to employees' stress and pressure. As a consequence, training aimed at creating a sound concept will enable employees to manage and solve their problems, see resolution guidelines and have morale, resulting in sound performance.

In this connection, the Company's training and development has been implemented mainly in accordance with its annual training plan for 2021, through an attempt to maintain the training standard as before an occurrence of the COVID-19 crisis, as appropriate to the situation.

Personnel Resources Development and Learning Organizations

The Company has realized the significance that, in order for an organization to succeed and be sustainable, it has to generate changes incurred by focusing on knowledge and learning from errors, besides learning new things and create new innovations. The Company has given priority to its knowledge management as the following:

1. Knowledge sharing by the Company's experts through a promotion of such knowledge transfer activities as the following:
 - 1.1 Insurance Talk adds knowledge of insurance, targeting on the level, at 100 percent, of success in providing training to all staff, based on a training plan, having both the Company's special speakers and external invited speakers expert at such topics as Health Insurance Tips, Insurance of Economic Crops-Marijuana and Hemp, etc.
 - 1.2 Professionals' Talk to increase professionalism for staff considering underwriting via an addition of viewpoints and dimensions of underwriting consideration by experts in various fields, such as senior executives, insurance working group, and Product Design and Development Division, targeting on the level, at 100 percent, of success in providing training based on a training plan.
2. Knowledge management to generate continuous learning at all levels, ranging from the personal level, group level, to organization level, creating development of staff and the Company's overall development. In this regard, knowledge management is also an important mechanism of the Company's management of its employees' knowledge, both a compilation and distribution of knowledge in an appropriate direction. Sound learning management will help to promote the Company's learning environment, creating consistent learning. The Company has implemented the following.
 - 2.1 Set up a system of insurance knowledge collection, pattern, category and content. For 2021, the Company had compiled and developed insurance knowledge into a complete system, apart from following up the content for continuous updates in the following year, aimed at being a center for insurance knowledge that can be viewed in the pattern of Anywhere, Anytime, Any Device, via a collection source called "The Library".
 - 2.2 Knowledge management (KM) which is within a section and each individual, starting with an identification of essential and significant knowledge through the creation of Key Organization Knowledge Map, collecting data both from those transferring knowledge and those using it, aimed at being informed of indispensable

and important knowledge directly affecting an accomplishment of work. Subsequently, there is knowledge management by a method proper to such knowledge, whether a knowledge transfer, documents or other methods, recorded in a collection source "The Library," which is conveniently accessible to employees, with a target of a constant and every-year KM implementation, covering all knowledge essential and significant to non-life insurance performance. In 2021, the Company had performed its knowledge management for phase 1 of claims assessment work and will continuously perform phase 2 in 2022, including a project on the knowledge management of 2 insurance gurus in the motor claims assessment work, which will be further continued to 2022 as well.

2.3 Lesson Learned Podcast by BKL Academy, which is a production of experiences and learning related to the past underwriting performance, carried out by a work team attempting to understand, summarize and analyze a contributing factor to successful or failed performance, aimed at learning, preventing and further developing work. In 2021, there was a presentation, between March and October 2021, in the form of podcast and 8 articles recorded in the Library, directly communicating to all underwriting sections. In addition, there is a Knowledge Plus activity, another channel communicating the Company's affairs to staff of the underwriting line for acknowledgement of properties of a new pattern of products or services, aimed at accurate and up-to-date knowledge and understanding.

2. Development of branch executives project which the project participants will have their knowledge developed in all respects essential to performance as branch executives, apart from receiving training on actual work performance at a Company's branch so that they are prepared and have experience, being able to really use it in the future. Besides, the Company has provided for its staff's learning by giving them an opportunity of job rotation and job transfer for this project, aimed at staff's learning new jobs and development of their career path. The project has been continuously conducted since 2012, with a target in support of business growth. For 2021, no training was provided due to an impact of the COVID-19 situation. Nevertheless, the Company has a plan to improve the pattern of project in accordance with new situations with which the Company is confronted.

For 2021, the Company had supported a budget of Baht 3 million for staff training and development in various forms, with an average of 15 training hours per staff per year, reflecting the Company's giving priority to a promotion of quality staff, possessing knowledge and skills appropriate to performance and in response to changes which may occur in the future.

Personnel Resources Development and Personnel Generation in Support of Future Growth

1. A support of a master's degree course study both inside and outside the country, including other courses benefiting the performance, aimed at a comprehensive expansion of employees' knowledge. The Company has lent its support in the form of scholarships for a master's degree study in both domestic and foreign universities, giving an opportunity to all employees interested to apply for a scholarship, besides determining a suitable pattern and method of support for each year. In 2021, the Company granted 4 scholarships in support of a study of master's degree courses in the country and will further continue to 2022. For its staff having potential for succession, the Company will consider supporting them for a study in related fields too.

4. Overseeing Employees

Preliminary Data of Employees

As at December 31, 2021, the Company had 1,562 permanent employees, having a diversity of staff in different dimensions, aimed at an increase in the competitiveness and integrated working skills, having diversity ensuring the Company's robust and sustainable growth.

Data as at December 31, 2021	Number of staff (Person)	%
Gender		
Female	905	57.9
Male	657	42.1
Religion		
Buddhism	1,518	97.2
Christianity	27	1.7
Islam	17	1.1
Generation		
Baby Boomer	77	4.9
X	569	36.4
Y	899	57.6
Z	17	1.1
Education		
Doctorate	2	0.1
Master's degree	306	19.6
Bachelor's degree	1,211	77.5
Undergraduate	43	2.8
Domicile		
Northern part	90	5.8
Northeastern part	161	10.3
Western part	70	4.5
Central part	1,047	67.0
Eastern part	65	4.2
Southern part	129	8.2
Performance area		
Headquarters	1,075	68.8
Bangkok and periphery	132	8.5
Provincial branch	355	22.7

Level of Employee	Number of staff (Person)	%
Top Management		
Female	3	-
Male	9	-
Middle Management		
Female	68	-
Male	99	-
First Line Management		
Female	187	-
Male	135	-
Officer		
Female	647	-
Male	414	-

Provident Fund

A hundred percent of the Company's employees are members of a provident fund. In this connection, the Company has realized the significance of having its staff's savings sufficient for their living after retirement and has thus modified the fund scheme so that employees can select a maximum cumulative rate of 15 percent of their basic salaries, and has made, since 2020, an adjustment of a higher maximum contribution rate of 12 percent of employees' basic salaries to the provident fund, based on the length of employment or position, using the criteria more favorable to employees. In 2021, the Company had extended for a wider variety of its investment plan for the provident fund, either BKI Choice, with 10 menus of an investment option of risk balance, or BKI Plan, an alternative investment with age balance. Training suggesting the new pattern of provident fund investment schemes is provided via an online channel so that staff can choose one appropriate for them, with consideration of each individual's age, ability to accept risk, and investment target.

In 2021, the provident fund committee had requested approval, from the registrar, of starting the Bualuang iFunds system service in order for provident fund members to do transactions via the system, allowing members to get convenience and quickness of an inspection of their provident fund total all times.

Grouping of Employees

The Company has provided for an election of the Welfare Committee, having a two-year term and the following duties and authority.

1. Discuss with the employer to arrange employees' welfare.
2. Provide consultation and advice to the employer for an arrangement for employees' welfare.
3. Inspect, control and oversee the welfare the employer has arranged for his/her employees.
4. Propose, to the labor welfare committee, comments and guidelines for an arrangement for welfare beneficial to employees.

In 2021, there were 4 meetings of the Welfare Committee, which was complete and in compliance with related laws.

Overseeing and giving importance to staff's personal life and family to generate a balance, feeling happy in their work performance

The Company has provided welfare to and carried out activities for its staff to create Work Life Effectiveness, having blissful working life, personal life and family, as the following:

- Provide for the staff's annual physical examination from Bumrungrad International Hospital, a leading local hospital.
 - Procure a COVID-19 vaccine for staff and their family quickly and sufficiently in an amount needed.
 - Provide, continuously and every year, for a vaccine injection to prevent influenza, as well as provide for a mammogram examination and breast ultrasound for female staff.
 - Provide for an online health consultation service via the Clicknic application, through which employees can consult a doctor via a video call system without having to go to hospital.
 - Provide for a loan for employees at a lower interest rate than that in the market to help them in such necessary incidents as house construction, house buying, and medical expenses of employees' father, mother, child, or spouse.
 - The Company, in cooperation with the Thai Health Promotion Foundation and the Royal College of Physicians of Thailand, organized the "Healthy BKL" project, aimed at employees' knowledge and participation in the physical and mental health promotion activity via the SAKID application, comprising of 3 aspects, namely, eating based on the nutritional principle, constant exercise, and taking care of one's sound mind and temper, which is a significant contributing factor to efficient performance, besides being an important mechanism driving the organization to success.
 - Send a birthday e-card and a birthday present to staff each month.
 - Disseminate knowledge of a guideline for taking care of one's physical and mental health, based on three principles of food, exercise and disposition, through employees' Line "House of BKL".
 - Provide a training course on financial planning to interested employees.
 - Publicize and communicate the Company's interesting information and movements to retired staff via their Line channel.
 - Deliver a birthday present to a group of retired staff.
 - Conduct an activity to present a souvenir to 166 staff completing their 10-year, 20-year and 25-year performance, and staff reaching 60 years of age, in honor of pride in their steady perseverance, determination and dedication to performance for the Company.
 - Carry out an activity to organize a merit-making ceremony of a financial contribution and donating rice and dried food and necessities to Phra Alongkot Tikkapanyo, at Wat Phrabadnampu, to help orphans, HIV patients and the elderly.
 - On each floor of the Company's offices, an open, beautiful and ventilated space has been provided which is good for relaxation during and after work, or a meeting among staff during an afternoon break.
 - Provide for activities on Aerobic dance and yoga, and badminton court to encourage and promote staff's exercise, aimed at relaxation from work and robust physical health.
 - Organize the "Mind Spa" activity at a meditation practice school outside the Company in order for staff to practice meditation and calm their mind.*
- * For the activities on an exercise and "Mind Spa," the Company has, constantly and every year, an intention of making its employees happy and create a balanced personal life and working life. Nonetheless, in 2021, with the advent of a situation of the spread of COVID-19, such activities have come to a temporary break.
- Conduct an activity to boost mental spirit and relaxation by encouraging staff to take part in activities for relaxation both from work and the current environment, through meditation and yoga activity for health.

5. Hygiene and Safety in Working Environment

The Company has established the Safety, Health and Environmental Committee to define policies and oversee an implementation of activities regarding working safety of employees, contractors and outsiders who come in to work for or use the service on the Company's premises. The activities carried out in 2021 were, for example, the 5s activity, air quality measurement in the workplace, a sanitizer service in the office building, basic firefighting and evacuation fire drill training.

In 2021, when there was a situation of the spread of COVID-19, for its staff having to perform their work at the head office building so as to continuously deliver goods and services to customers and business partners, the Company had raised the measure for overseeing employees' safety as follows:

- Set up a culling spot via a temperature-measuring device of thermoscan at every entrance of the office building.
- Provide for a service spot for hand-washing alcohol.
- Allow staff to work from home to reduce their gathering.
- Increase the frequency of cleaning working area in the office.
- Buy such equipment as UV roasting devices killing paper germs, rubber gloves, partitions for working area to meet up with customers, air purifiers, etc.
- Provide for a residence close to the Company for staff having to perform their work at the office, aimed at diminishing their risk of traveling back and forth between the workplace and home.
- Provide for medicinal sets (medicines, O₂ measuring equipment, thermometer measuring temperature, hygienic masks) for all staff, including their family members infected by COVID-19.
- Present hygienic masks to prevent a COVID-19 infection to all employees.

For 2021, the Company had set a target of 0 percent for an accident occurrence and sickness caused by work performance. In the previous year, the Company had no report on an accident occurrence nor serious illness of its staff.

6. Participation with Communities and Society

BKI Scholarship Activity

The Company has, since 2017, initiated its BKI Scholarship project to grant scholarships of Baht 2,790,000 to 45 students, through a selection of students having outstanding study result and getting a scholarship out of necessity throughout the course of their study in an educational institution's departments of insurance, statistics and information technology, without any obligation. Besides being a support of and a relief of a burden on tuition expenses, the project has motivated students to opt for a study in the field of insurance who will become quality personnel and a significant force for the insurance business after the completion of their study.

In 2021, the Company had, for 5 years in a row, continuously granted scholarships to students for a bachelor's degree study in the departments of insurance, mathematics, statistics and information technology. In 2021, the Company granted 30 scholarships to students of classes 3-5, amounting to Baht 750,000, and in 2022, it will steadily go on with an implementation of its BKI Scholarship project.

BKI Internship Project

Over the past several years, the Company has, each year, admitted 20 students, on an average, from various departments and universities in Bangkok, periphery and provincial regions, for instance, departments of insurance, finance and banking, statistics, information technology, etc., to participate in its BKI Internship project. The Company has presented an allowance to all these students in support of their cost of living throughout the course of their internship. For the internship, the Company has a guideline for overseeing students by replicating a real working life in order for them to get an experience, try doing work in which they are interested, and be prepared prior to a start of their real work.

In 2021, the Company had opened an opportunity for third-year students studying for a bachelor's degree in numerous educational institutions to take part in its internship project for a multi-affair study session and summer session, totaling 11 students, aimed at receiving on-the-job experience from working with an organization having a work management system which is efficient and beneficial to a wide variety of occupations.

Presentation of Group Accident Insurance Policy to University Students

The Company has arranged group accident insurance policy for university students taking part in its BKI Internship and BKI Scholarship projects to connect a feeling of comfort from having insurance throughout the period scholarship reception and internship at the Company, apart from generating an awareness of the significance of taking insurance in the future as well.

In 2021, the Company presented group accident insurance fund of Baht 200,000 to each of the 30 students participating in its BKI Scholarship project, throughout the period of scholarship, and presented group accident insurance fund of Baht 100,000 to each of the 10 students taking part in its BKI Internship project, throughout the period of their internship at the Company.

Support of Institutions' Activities

In June 2021, the Company had sent its staff to participate as a speaker, providing knowledge on the topic "Preparation for the Internship" to students studying the insurance technology course, the department of mathematics and statistics, faculty of sciences and technology, Thammasat University.

In December 2021, the Company had sent its staff to take part as a committee member judging, via electronic media, "Presentation of Research Work on Insurance Technology" at a bachelor's degree level (in the form of posters) for 2021, organized by the department of mathematics and statistics, faculty of sciences and technology, Thammasat University.

As to the two afore-mentioned activities, the Company had presented its speaker's remuneration back to the university to be subsequently used as funds for organizing its activities for students.

7. Participation with Business Partners and Customers

Learning and Development of the Company's Business Partners

The Company has given priority to the learning and development of its business partners through providing training to the Bangkok Bank (BBL) and other business partners via a wide variety of learning and teaching, for instance, Virtual Classroom, through the Microsoft Teams program and Zoom program, having an e-learning system in the course "Asking for and to Renew a License for a Non-Life Insurance Broker" 1st, 2nd and 3rd times, aimed at facilitating brokers to be able to attend the course and apply the knowledge learned to an application for a license request or renewal from the Office of Insurance Commission (OIC), which has to be in accordance with the curriculum and method defined by OIC.

Development of Knowledge of Insurance for Agents and Brokers

The Company has realized the importance of developing knowledge for its agents and brokers who are regarded as the Company's medium, having duties to communicate insurance knowledge accurately to society and communities, which is considered the overseeing of consumers through paying an attention to goods and services on a morality basis. This has been carried out via a provision of courses required by the Office of Insurance Commission (OIC), such as the course "Asking for and to Renew a License for a Non-Life Insurance Agent or Broker" 1st, 2nd, 3rd and 4th times, including courses for an increase in insurance knowledge, for instance, Financial and Insurance Planning for Non-Life Insurance Services (Bancassurance Advance), Booth Marketing, and other types of insurance knowledge. In this connection, the Company has defined an index measuring the satisfaction on the provision of training to its business partners, aimed at measuring the efficiency of course attendants' learning. For 2021, the Company had provided for a total of 19 courses for 91 classes of its business partners, besides setting a target for business partners' satisfaction on training at 95 percent, of which an assessment consequence being at 98.45 percent, and the training course considered to be very successful.

Arrangement for Customers' Courses

The Company has given priority to responsibilities to society as a whole, by providing for a course on Zero Accident in support of related people's learning of a guideline for safe driving, realizing the cause of accidents and methods of accident preventions, apart from encouraging trainees to apply the principle learned to their daily living in order to minimize accidents which may occur. The Company has constantly provided related training for over 10 years until now in response to its customers' demands. Additionally, the Company has also provided additional knowledge of non-life insurance products, such as a workshop training project (property insurance), etc.

Responsibility to Society

The Company has fully realized its robust participation in the responsibility to society by injecting the concept of having all of its management and employees see the significance of being service-minded, taking part in helping and being beneficial to society through a steady participation in activities in every respect, such as taking care of underprivileged people, the elderly group, and those suffering disasters, providing cooperation and support to other agencies' help or relief project implementation, aimed at an assistance being comprehensively accessible, promoting a sound quality of life for people in society.

Support COVID-19 Patients and People Affected by COVID-19 Situation

From a situation of the spread of COVID-19, in which there is an increasing number of infected people and those dying of an infection, including more patients having to be hospitalized every day, this has caused nearly all the hospitals across the country to encounter a shortage of medical equipment which is instruments indispensable to a treatment of seriously ill patients. There is a shortage of not only ventilators but also other medical equipment for normal hospitals and field hospitals the latter of which are opened for a specific purpose and are badly in need of medical supplies. The Company has not only presented medical equipment to hospitals but also provided necessities to communities and government agencies to help relieve those victims' suffering, aimed at their better quality of life, as the following:

- Present 28 ventilators, amounting to Baht 5,900,000, to 10 hospitals, attached to the Ministry of Public Health, in Bangkok, periphery and the provinces.
- Present 3 heart performance follow-up machines, amounting to Baht 450,000, to Pranangklao Hospital.
- Present 9 sets of CAPR (Controlled Air Purifying Respirator), which is equipment protecting respiratory tracts by passing purified air, totaling Baht 522,000, to Thanyaburi Hospital, Taksin Hospital and Vajira Hospital.

- Present 66 patient beds, amounting to Baht 1,305,090, to Kakon Nakhon Hospital for use in rooms for inpatients and COVID-19 patients.
- Present 3,200 sets of PPE (Personal Protective Equipment), totaling Baht 590,000, to the Fund for Educational Equality to be passed through to Khlong Toei communities, the National Institute for Emergency Medicine, the Civil Voluntary Disaster Prevention Sathon District, Wat Suthivararam for "Phra Mai Thing Yom" project, and the Voluntary Public Disaster Relief.
- Present 120 oxygen-producing machines for spraying medicinal powder, including 2,400 oxygen lines for nose pinning, amounting to Baht 2,400,600, to Pakkret Hospital, Thammasat University Hospital, Budsarakam Field Hospital, Samut Prakan Ruamjai Field Hospital, the Center for First Reception and Transfer, Nimibuttra Building, the Public Health Service Center, Health Office, Bangkok Metropolitan Administration, the Civil Voluntary Disaster Prevention Sathon District, and Sen Dai Group.
- Present 20 wheelchairs, totaling Baht 150,000, to Budsarakam Field Hospital.
- Present 100 sets of finger-tip oxygen measuring equipment, totaling Baht 75,000, to the Disaster Victim Assistance Center Sathon District, the Public Health Service Center, Health Office, Bangkok Metropolitan Administration, the Civil Voluntary Disaster Prevention Sathon District.
- Present such electric appliances as refrigerators, microwaves, vacuum flasks, and other necessities to the Community Isolation Center for COVID-19 Child Patients (Kiakkai).
- Present 150 plastic bags for putting in dead bodies, amounting to Baht 33,900, to Wat Suthivararam for "Phra Mai Thing Yom" project.
- Present other necessities, such as drinking water, rice, dried food, blankets and equipment and tools necessary for daily living, to Thanyaburi Home for the Female Destitute, clinics and communities suffering from and impacted by a situation of COVID-19.
- Make a contribution of Baht 100,000 and 200 sets of medical supplies for health care, consisting of oxygen-level measuring equipment, thermometers, hygienic masks, King of bitters, paracetamols and mucolytic, to Wat Phrabatnampu, which has established Dharmarak Field Hospital of Wat Phrabatnampu, Lop Buri for a treatment of COVID-19 patients.
- Present 1,000 sets of bed blankets for COVID-19 patients, totaling Baht 100,000, to Wat Doi Dhamma Jedi for a presentation to Sakon Nakhon Hospital and villagers.
- Collectively make a contribution of Baht 100,000 to the Slum Babies Foundation, for an assistance to young children.
- Collectively make a contribution of Baht 50,000 to the Mercy Centre Khlong Toei, for an assistance to needy children.
- Present sets of medical supplies for health care to agencies helping COVID-19 patients, for instance, 200 sets, 200 sets

and 100 sets to Sen Dai Group, Amarin TV and Wat Suthivararam for "Pra Mai Thing Yom" project, respectively, totaling 500 sets, besides presenting these sets to the Company's staff and their family members infected by COVID-19 and having a self-treatment of Home Isolation.

- Collective support the Office of Insurance Commission (OIC) by making a contribution of Baht 1,000,000 in support of the "Pra Kan Pai Ruam Jai" project, apart from presenting 20,000 doses of vaccine countering COVID-19, for an allocation of Sinopharm COVID-19 vaccine from Chulabhorn Royal Academy, to 10,000 general people, particularly groups of the disabled and vulnerable people having no access to counter COVID-19 vaccine.
- The Company collectively supports the Non-Life Insurance Association and replies to the government policy declaring the vaccination a national agenda, in the "Vaccination for Helping the Nation, Doctors Ready to Inject, Non-Life Insurance Prepared to Take Care" project, through a presentation of 2,000,000 rights of allergic to COVID-19 vaccine, aimed at raising the confidence for Thai people to get a vaccination, with the sum insured for a coma state of Baht 100,000, besides a special addition of consolation money of Baht 10,000 in case of being hospitalized for at least 7 days, aimed at generating confidence and comfort in getting a vaccination against the Corona Virus Disease 2019 (COVID-19), helping to create a group immunity to reduce the number of seriously ill patients and people losing their life. Those eligible for a registration for a rights reception includes people of Thai nationality staying in Thailand, aged 0-100 years, without a limitation to their occupation.



Conduction of Activities and Participation in the Support of Activities for Society

In 2021, the Company had conducted activities supporting education, religion and art and culture, public health, relief of public disasters, development of communities and the environment, and development of the quality of life, as the following:



Education

Contributions to Foundations under Royal Patronage

- A contribution of Baht 4,000,000 to the Ananda Mahidol Foundation as scholarships for students with academic capabilities to have the opportunity to further their studies at the highest level in a foreign country and subsequently to apply the knowledge learned to the development of their own country for its progress.
- A contribution of Baht 2,500,000 to the Chai Pattana Foundation to implement the royal initiative projects assisting people in such aspects as education, the environment and social development.
- A contribution of Baht 1,500,000 to the Graduates Go Home project as scholarships for students under royal patronage.

Bangkok Insurance Scholarship Project

The Company has, since 1994 to present, granted scholarships to poor students for their university education. In 2021, 35 scholarships were granted to students. The grants were provided free of charge and included tuition fees, as well as expenses for food, accommodation and others. The Company would continuously grant scholarships until students graduate from a university. So far 735 scholarships or a grant of Baht 144,486,658 had been presented.

Granting Scholarships Supporting Education to the Thai Association for Medical Instrumentation

The Company has granted 3 scholarships, Baht 30,000 each, totaling Baht 90,000, to the Thai Association for Medical Instrumentation for use as scholarships for a bachelor's degree study and graduate studies of Mahidol University's students having outstanding study result and good behavior but lacking fund.

Granting Scholarships Supporting Education to the Graduate Studies of Mahidol University Alumni Association

The Company has granted 5 scholarships, Baht 38,000 each, totaling Baht 190,000, to the Graduate Studies of Mahidol University Alumni Association for use as scholarships for medical

students. The scholarships are continuous ones for students throughout the course of their study of a 6-year medical science curriculum and 2-year specialist curriculum, totaling 8 years. The Company has granted its scholarships since 2020 and will continuously support the scholarships further.

Granting Scholarships to the Faculty of Science and Technology Alumni Association, Rajamangala University of Technology Krungthep

The Company has granted 5 scholarships, Baht 20,000 each, totaling Baht 100,000, to the Faculty of Science and Technology Alumni Association, Rajamangala University of Technology Krungthep in support of its learning and teaching activity and other activities supporting the Faculty of Science and Technology's education.

Promoting Education to Schools in Remote Area

The Company has presented computers, printers, as well as learning and teaching equipment and writing equipment, totaling Baht 142,250, for education promotion to students of Luang Pattana Ban Khun Wang School under the supervision of Chiang Mai Primary Educational Service Area 4, Amphoe Mae Wang, Chiang Mai, which is a school, of nearly 300 students, of a kindergarten to primary education of grade-6 level in remote area and in lack of equipment necessary to a study.

Support the Breakfast to Primary Students

The Company had, for two years in a row in 2021, carried out the project in supporting breakfast to primary students of 16 schools under the supervision of Sakon Nakhon Primary Educational Service Area 1, totaling 934 students, amounting to Baht 1,863,000, as breakfast expenses of Baht 10 per student for 1-year education period. This aim is to promote students in remote areas to have nutritious and worthy breakfast, generating students' good health and learning development, as well as fair IQ.

Clean Drinking Water for Students in Rural Areas Project

The Company has installed water filters, drinking water dispensers and treatment sets to 4 schools in remote areas in Sakon Nakhon educational service area in prevention of the water quality for schools which previously used groundwater.

In addition, the Company together with its Hua Hin branch's staff, in cooperation with the administration department of Sathorn District Office and the life resuscitation and rescue department of the Civil Voluntary Disaster Prevention Centre of Sathorn District and the Buddharangsi Foundation, has organized the Pan Tavee Piti project, aimed at helping and promoting education for students in remote areas through a presentation of learning and teaching equipment, sports equipment, bicycles and basic necessities to students of Border Patrol Police Ban Klong Noi School, Amphoe Hua Hin, Prachuab Khiri Khan, which is a school of a kindergarten level to primary education level grade 6, with over 100 students.

Community Development

Promotion of Occupation for Villagers Project

The Company has, since 1995 up to now, established the Promotion of Handicraft Occupation for Villagers project in Mukdahan and Sakon Nakhon, in which villagers are trained to weave baskets from plastic fiber, weave kok mats and hand-weave natural-color bathing cloth. In addition, there is the provision of experts in teaching, development of production methods, and a search for raw materials and production outlets. This is aimed at encouraging people in areas with supplementary occupations to augment their incomes, leading to better and sustainable living.

Public Health

The Company has fully realized that people having sound hygiene as well as robust bodies and mind, without an illness, will be able to live a happy life, leading to a sound quality of life. As a consequence, the Company has lent support to a medical service necessary for the treatment for needy hospitals, aimed at better taking care of underprivileged people's quality of life, as the following:

Present Medical Equipment to Hospitals

The Company has presented medical equipment consisting of equipment and instruments for an orthopedic surgery, totaling over Baht 920,000, to Um Phang Hospital, Tak in support of an orthopedic surgery for patients lacking money and health security, helping them to avoid loss of life.

Relief of Natural Disasters

Apart from the Company's giving importance to its staff's safety by establishing the Safety, Health and Environmental

Committee, it has also given priority to providing knowledge of safety, risk prevention and giving assistance to people suffering from public disasters as follows:



Donate Goods to Help Flood Affected Communities

The Company has distributed over 1,700 sets of survival bags containing rice, dried food and necessities for daily living, besides 13,800 bottles of drinking water, to flood victims in the central region, for instance, Ban Promthin, Amphoe Kok Samrong and Ban Kluey, Amphoe Ban Mee, Lopburi, Ban Don Thong, Amphoe Bang Plama, Suphan Buri, communities of Moo Ban Wat Jedithong, Amphoe Sam Kok, Pathum Thani and Tambon Phra Ngam, Amphoe Prom Buri, Sing Buri.

Based on an outbreak of flooding incidents in many areas, causing its customers to be impacted and suffer, the Company has prepared for an assistance through the provision of safe parking areas, while customers can report on motor claims for 24 hours a day at a hot line Tel 1620, and on non-motor claims at Tel 0 2285 8417.

Religion, Art and Culture

The Company has had a policy of lending support to maintaining Buddhism and conserving the country's invaluable art and culture for their everlasting existence.

Participate in Merit-making of Kathin Ceremony

In 2021, the Company, in collaboration with the Bangkok Insurance Foundation and Chai-Nuchanat Sophonpanich Foundation, had collectively made a contribution of Baht 475,263 and presented 2,400 bottles of drinking water for a merit-making ceremony of Kathin for 2021 to the Dharmarak Field Hospital of Wat Phrabatnampu, Lop Buri, established for a treatment of COVID-19 patients, through the Company's giving priority to the promotion of a sound quality of life in all aspects for people in society throughout, particularly religion and public health aspects.

All these are just part of the projects and activities the Company has conducted steadily, with the aim to develop a sound quality of life for people in society, to live happily together and be able to sustain self-reliance.

ENVIRONMENTAL MANAGEMENT FOR FUTURE SUSTAINABILITY

1. The Environmental Policy and Guideline

The Company has fully realized and thoroughly understood considerable importance of environmental management to ensure that the operations under its management system will not have any adverse environmental impact on society and communities, and has accordingly defined “The Policy on Environmental Management of Office Buildings”. Such policy identifies a guideline for the environmental management implementation in compliance with related environmental laws and requirements, as well as makes an assessment of environmental impacts concerning water, garbage, waste and pollution to define management measures, apart from constantly supporting and encouraging the Company’s employees to be aware of the environmental conservation. A detail may be further studied on the website at <https://www.bangkokinsurance.com/company/csr>.

As to the energy issue, since the Company is determined to have efficient and sustainable energy management, it has defined “The Policy on Energy Management”, as separated from other issues, in which energy conservation is identified as part of the Company’s performance which is in accordance with related laws and requirements. In addition, the Company has continuously improved the efficiency of energy usage, as well as has followed up and evaluated the energy management implementation, besides communicating it to employees for their accurate understanding and practice. A detail may be further studied on the website at <https://www.bangkokinsurance.com/company/csr>. Furthermore, the Company has assigned the Safety, Health and Environmental Committee to the responsibility for managing and overseeing an environmental issue within the organization.

Energy Usage

Since the Company is determined to have efficient and sustainable energy management, it has defined a policy on energy conservation as a guideline for energy management and has carried out an activity on reducing energy usage in line with the Ministry of Energy’s policy for 2012, focusing on the maintenance of machinery so that it can perform with full efficiency to save energy, besides using modern technology to monitor energy usage.

In 2021, the Company has targeted a drop in an amount of power use by 5 percent, compared to 2020, through a project

on a change in an air-conditioning system on 1st - 11th floors of Bangkok Insurance’s building, and a project on a repair of the heat exchanger equipment in the ventilation system, aimed at a reduction in energy usage. In addition, the Company also made a study of the overhaul chiller project of an air-conditioning system on its Building 1st - 22nd floors so that the machinery can operate with full efficiency and energy usage is further reduced. In 2022, the Company has set a target for a diminution in an amount of power use by 3 percent, over 2021.

Water Management

The Company has realized the significance of its management of water and water quality so that wastewater discharge will not affect the environment and external society through an application of technology on water quality preservation ozone to the control of an amount of water usage and the preservation of water quality, aimed at their appropriateness, apart from controlling wastewater quality in accordance with the Ministry of Natural Resources and Environment’s declaration on “Determine the Controlling Standard of a Wastewater Discharge from Some Types and Sizes of Buildings”, which is strictly defined.

In 2021, the Company had set a target for a reduction of an amount of piped water usage of 1 percent, compared to an amount used in 2020, through a project in changing cleaning equipment to a high-pressure water sprayer, aimed at enhancing cleaning efficiency and abating implementation time, resulting in a diminution in an amount of piped water usage, apart from a project in decreasing the frequency of cleaning the area around the building, from every week to every other week, causing a drop in an amount of piped water usage. Besides, there was a cancellation of cleaning 1 groundwater storage pond since in 2020, there was a project for an improvement of counter seeping within the groundwater storage pond.

For 2022 the Company has set a target for a reduction of an amount of piped water usage of 1 percent, compared to an amount used in 2021, including defining a target for water control to counter water loss or have zero water loss.

Waste Management

The Company has realized the significance of its waste management and has accordingly introduced and constantly implemented the 5s (clear up, convenient, clean, sanitary and habitual) activity as a tool for creating order and neatness, apart

from promoting sound hygiene and the most beneficial and efficient use of office resources in order to reduce the amount of garbage in the office, which has an impact on the pollution and atmosphere in the workplace.

For 2022, the Company's project study and data collection have been underway to be used as a database and for determining its future goal. Details of the projects are given below.

1. A project on sorting out garbage in the office and the central area of Bangkok Insurance's building (Headquarters) through implementing sorting out general rubbish and recycled rubbish so that usable garbage or materials will be subsequently reused and/or recycled materials will be sold to purchasers.
2. A project on sorting out plastic garbage to be transformed into oil. This project will be in collaboration with the Corsair Group International Company, which is a group of companies developing environmental solution business by having once-used-then-dumped plastic garbage go through a recycling process and using heat instead of incineration or burial, aimed at transforming it into advanced bio-oil which can be used to replace fuel oil of industrial machinery and reused in the plastic melting process. The project's research and development is underway, with the aim to produce such environment-friendly fuel oil as benzene, diesel, as well as fuel oil for planes or electricity generation, with the objective of reducing the garbage amount and environmental impacts.
3. The SCGP Recycle project is aimed at the worthiest use of resources and having the Company's employees know how to sort out garbage correctly to minimize the amount of garbage going to the landfill and to be appropriate for recycling and reuse once again, generating a circular economy. In the project used paper is exchanged for SCG Packaging Public Company Limited's new paper in order to go through a correct and efficient recycling process which is able to decrease an amount of refuse and greenhouse gas. In this activity there is public relations for employees' acknowledgement of practice guidelines, places of recycled paper reception and time period of recycled paper reception.

Air Pollution Management

The Company has taken into account air pollution impacts which may affect its employees, contractors operating in its office area, including surrounding communities and environment. The Company has defined a work plan on measuring the quality of air within the office every year and has selected environment -friendly office equipment to control air quality within the office area so that it has a condition appropriate and in strict compliance with the requirements of related laws. In 2022, the

Company has a work plan on air pollution management and data compilation to be used as a database and to define its future goal.

Climate Change

The climate change due to an emission of greenhouse gas incurred by business transactions is an environmental issue to which the Company has given significance and has been determined to counter and diminish an emission of greenhouse gas. Currently, the Company's study and data collection for a greenhouse gas reduction is underway, aimed at defining policies, objectives and a performance plan on arranging a report on the carbon footprint for organization (CFO) so as to be registered, with the Greenhouse Gas Management Organization, as a low-carbon organization. The Company will start implementing it in 2022.

2. Environmental Performance Consequences

The Company has realized and seen the significance of the environment and has therefore encouraged its employees to use resources efficiently, apart from communicating knowledge to and creating awareness of employees in terms of resources use, and has performed in accordance with practice guidelines for environmental management in order to achieve the target defined. The Company's environmental performance consequences include the following.

Energy Usage

The Company has assigned its working committee on the energy management to successfully implement and coordinate the work in conformity with the policy defined, by rallying energy preservation for the Company's staff's awareness of the significance of collective energy conservation, apart from making a continuous dissemination of information and knowledge to staff.

In 2021, the Company had implemented the following projects for a sustainable diminution in power energy use.

1. A project on a change of an air-conditioning system on the Company's Building 1st - 11th floors, which was completely implemented in October 2021. Based on the project implementation, it has been found that:
 - In November 2021, the Company could reduce an amount of power use in the area on 1st - 11th floors by 13.70 percent, compared to an amount of power use in November 2020.
 - In December 2021, the Company could reduce an amount of power use in the area on 1st - 11th floors by 4.14 percent, compared to an amount of power use in December 2020.

A table displaying an amount of power use per month on the Company's Building 2nd - 11th floors between 2020 and 2021

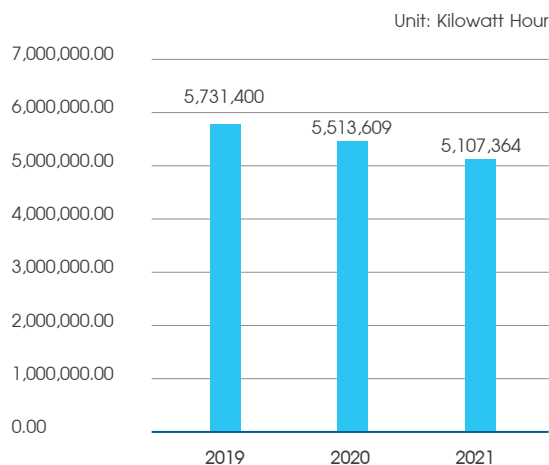
Month	Year 2020	Year 2021	Comparison %
January	62,760	48,800	↓ 22.24
February	48,520	45,880	↓ 5.44
March	54,160	58,560	↑ 8.12
April	48,480	50,120	↑ 3.38
May	48,680	46,560	↓ 4.35
June	53,600	52,040	↓ 2.91
July	51,680	47,200	↓ 8.67
August	50,640	44,520	↓ 12.09
September	51,160	43,080	↓ 15.79
October	50,640	41,360	↓ 18.33
November	52,280	45,120	↓ 13.70
December	50,520	48,430	↓ 4.14

Note : Due to the situation of the spread of the Corona Virus Disease 2019 (COVID-19) in 2021, the Company had a policy of having its employees work from home more, resulting in the lower proportion of an amount of power use, compared to 2020.

2. A project on a repair of a heat exchanger in the ventilation system of the Company's headquarters building, aimed at reducing the temperature outside the building by 2-3 degrees Celsius and diminishing the burden of an air-conditioning system's functioning, which enables energy saving.

Thanks to the Company's implementation of the afore-mentioned projects, in 2021, the Company had an amount of power use of its headquarters building totaling 5,107,364 kWh, a decrease of 7.37 percent, compared to 2020, which was better than the target defined.

Amount of power use of Bangkok Insurance's Headquarters Building, Year 2019 - 2021



Water Management

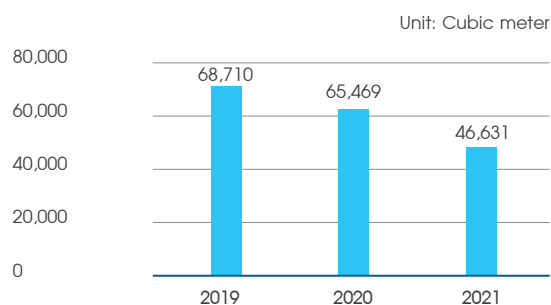
For its management of water and water quality, the Company has applied technology on water quality preservation ozone to the storage and raise of drinking water quality by adequately installing drinking water filters. It has also steadily maintained and changed filtering equipment, as well as strictly monitoring, at each checking period, the quality of both drinking and non-drinking water based on the Metropolitan Waterworks Authority's standards, apart from daily checking the amount of water used, to control an appropriate and non-wasteful use of water resources.

In 2021, the Company had implemented the following projects to reduce an amount of piped water usage.

1. A project in changing cleaning equipment to a high-pressure water sprayer and a project in decreasing the frequency of cleaning the area around the building, being able to diminish an amount of piped water usage of about 380 cubic meters per year.
2. A cancellation of cleaning 1 groundwater storage pond, being able to decrease an amount of piped water usage of about 130 cubic meters per year.

In 2021, the Company's headquarters building had a total amount of piped water usage of 46,631 cubic meters, with a diminution in a use of piped water of around 28.77 percent, compared to 2020. However, due to the situation of the spread of the Corona Virus Disease 2019 (COVID-19), the Company had a policy of having its employees working at the headquarters building work from home more, causing a drop in piped water consumption in the headquarters building.

Amount of water use of Headquarters Building, Year 2019 - 2021



Since Bangkok Insurance's building is classified as Type A Building, based on the Ministry of Natural Resources and Environment's declaration on "Determine the Controlling Standard of a Wastewater Discharge from Some Types and Sizes of Buildings", in which wastewater quality must be controlled before being discharged into public drain pipes. As a consequence, the Company has controlled and followed up to ensure that wastewater discharged into public drain pipes has quality and is in accordance with the criteria defined. Details of a preliminary control are listed below.

1. Scoop up garbage at the rubbish-trapping sieve area twice a week.
2. Inspect the sediment from the air-filling well once a day.

3. Inspect, twice a week, the sediment in the sedimentation well. If it floats at the surface, scoop it up and throw away.
4. Inspect, once a day, the functioning of pumps and valves, and the amount of water in the well to ensure that they are in a normal condition.
5. Add, once a week, microbes to help digest the fat, as well as reduce BOD and a bad odor.
6. Monitor wastewater quality by a registered company once a month.
7. Submit, each month, a summary report on the wastewater treatment system's performance to the Division of Environment and Sanitation, Sathontai District Office.

Results of wastewater monitoring* of Bangkok Insurance's headquarters building have the following detail

Item	pH	BOD	SS	Sulfite	TDS	Heavy sediment	Oil and fat	TKN
Standard value	5-9	Not over 20	Not over 30	Not over 1	Not over 500	Not over 0.5	Not over 20	Not over 35
Measured value	6.9**	8.9	10	< 0.3	480	< 0.5	< 3	6.30
Unit	-	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l

* Referred to the monitoring results of May - August 2021

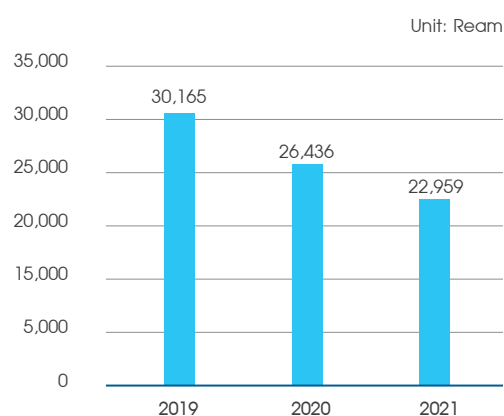
** It has been found that the pH value of May 2021 equals 3.4, which is lower than the standard value. The Company had monitored and revised so that the measured values were up to the entire standard defined.

Waste Management

The Company has assigned its Safety, Health and Environmental Committee to take action to ensure that all employees take part in the 5s (clear up, convenient, clean, sanitary and habitual) activity, with the following performance consequences.

1. Carry out an activity on an elimination of unused paper or documents in order to weigh the paper.
2. Conduct public relations for employees' acknowledgement of a guideline for garbage management as follows:
 - 2.1 A reduction in an amount of paper use within the Company: A spot for one-page-used paper compilation is defined inside the central area of each department in order for the another page to be used, while an amount of document printing is also decreased through an online delivery and data storage in One Drive, apart from a reply of an activity assessment form via electronic media or QR code. In 2021, the Company was able to abate an amount of paper use totaling 3,477 reams, or 13.15 percent, compared to 2020.

Amount of paper use of Bangkok Insurance's Headquarters Building, Year 2019 - 2021



- 2.2 Management of hazardous waste such as chemical pens, erasing liquids, liquid detergent bottles, light bulbs and remote-control batteries, including the hazard from toxics which may go into one's body. The Company will start collecting data in 2022 so as to define a target in the following year.

Air Pollution Management

The Company has controlled the air quality inside its office area by measuring the quality of air within the office every year to make sure that it is up to the standard defined by the Department of Disease Control, Ministry of Public Health. Similarly, the Company has also selected environment-friendly office equipment, such as a photocopier and a multifunction machine which decrease an emission of carbon dioxide into the atmosphere, apart from frequently providing a sanitizer service, etc.

Results of air quality monitoring in Bangkok Insurance's headquarters building in 2021

Measured Item		Volatile Hydrogen & Carbon	Carbon Dioxide	Dust Amount	Standard Comparison
Measurement Standard		100mg./m ³	9,000mg./m ³	15mg./m ³	
Measured area	2 nd Floor	1.156	662.25	0.302	Pass
	3 rd Floor	1.410	870.50	0.482	Pass
	4 th Floor	3.317	728.25	0.472	Pass
	5 th Floor	1.247	552.25	0.420	Pass
	6 th Floor	4.606	793.50	0.547	Pass
	7 th Floor	0.357	847.33	0.550	Pass
	8 th Floor	0.820	506.00	0.560	Pass
	9 th Floor	2.840	771.25	0.615	Pass
	10 th Floor PB	1.925	610.50	0.467	Pass
	10 th Floor IT	2.030	606.00	0.430	Pass
	11 th Floor	2.610	671.50	0.560	Pass
	9 th Floor BAS	11.671	1,107.00	0.796	Pass
	Card Exchange Counter	0.694	580.00	0.830	Pass

In addition, in 2021, the Company had promoted and supported its employees' knowledge as the following.

1. Provide a training course on the management of an air quality system, aimed at the office's standard air quality.
2. Have its employees attend a training course on "Green Office" organized by the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment, aimed at employees' understanding of the conservation of energy, resources and the environment, apart from worthy and efficient use of resources.
3. Make public relations for employees' knowledge of a guideline for air pollution diminution, such as a reduction in private car use and ceasing burning in the open air or stopping incinerating refuse.

Incident Prevention Management

Apart from the environmental management, the Company has also given priority to the safety of its staff, customers, business partners and users of services within the Company's building, and has thus established the Safety, Health and Environmental

Committee to ensure that the performance in all activities under the Company's supervision is safe and correct based on the principle of hygiene and safety, with departments concerned overseeing the activities or performance as follows:

1. Formulate a plan on the strict maintenance/inspection of machinery, the electrical system, fire alarm system, fire extinguishment system and other systems to enhance the efficiency of the prevention of an incident within the building.
2. Set up an Emergency Response Team (ERT) having passed a training for preparedness to preliminarily quell an incident and help victims.
3. Provide a training course on the knowledge of basic fire extinguishing to employees.
4. Provide a training course on first aid.
5. Monitoring annually the safety in the building in accordance with the Building Control Act.
6. Provide a training course on self-defense against a fire or an earthquake.
7. Rally public relations on the knowledge of office syndrome.

GENERAL INFORMATION

Name of Company	Bangkok Insurance Public Co., Ltd.
Registration No.	0107536000625
Established	1947
Principal Lines of Business	Non-Life Insurance
Accounting Period Ended	December 31, 2021
Location: Head Office	Bangkok Insurance Building 25 Sathon Tai Road, Thung Maha Mek, Sathon, Bangkok 10120 Tel. 0 2285 8888 Fax 0 2610 2100 Accident Notification Tel. 1620 www.bangkokinsurance.com

Branches

Aranyaprathet

4-5 Thana Withi Road, Aranyaprathet,
Aranyaprathet, Sa Kaeo 27120
Tel. 0 3723 2673 Fax 0 3723 2822

Ayutthaya

138/5-6 Moo 3, Phai Ling,
Phra Nakhon Si Ayutthaya 13000
Tel. 0 3532 3191 Fax 0 3532 3173

Chachoengsao

665/7 Suk Prayoon Road, Na Mueang,
Mueang Chachoengsao, Chachoengsao 24000
Tel. 0 3898 1389 Fax 0 3898 1397

Chanthaburi

555/7-8 Moo 5, Raksakchamun Road,
Tha Chang, Mueang Chanthaburi, Chanthaburi 22000
Tel. 0 3930 1412 Fax 0 3930 1417

Chiang Mai

102 Chiang Mai-Lampang Road, Chang Phueak,
Mueang Chiang Mai, Chiang Mai 50300
Tel. 0 5321 9182 Fax 0 5322 3644

Chiang Rai

124/9 Moo 4, Rim Kok, Mueang Chiang Rai,
Chiang Rai 57100
Tel. 0 5371 7291 Fax 0 5371 7295

Chonburi

209/21-22 Moo 3, Phraya Satcha Road, Samet,
Mueang Chonburi, Chonburi 20000
Tel. 0 3312 3545 Fax 0 3312 3592

Chumphon

168/1-2 Moo 5, Wang Phai, Mueang Chumphon,
Chumphon 86000
Tel. 0 7765 8734 Fax 0 7765 8738

Hat Yai

830 Phetkasem Road, Hat Yai, Songkhla 90110
Tel. 0 7422 0961 Fax 0 7423 2576

Hua Hin

66/115-116 Phetkasem Road, Hua Hin,
Prachuap Khiri Khan 77110
Tel. 0 3252 2090 Fax 0 3252 2099

Kanchanaburi

591, 593 Saeng Chuto Tai Road, Pak Praek,
Mueang Kanchanaburi, Kanchanaburi 71000
Tel. 0 3451 7565 Fax 0 3451 3391

Kanchanaphisek

9/30 Moo 8, Kanchanaphisek Road,
Bang Phai, Bang Khae, Bangkok 10160
Tel. 0 2865 3300 Fax 0 2865 3311

Khon Kaen

345 Moo 4, Prachasamosorn Road,
Nai Mueang, Mueang Khon Kaen, Khon Kaen 40000
Tel. 0 4324 1090 Fax 0 4324 1095

Lampang

235-237 Highway Lampang-Ngao Road, Suandok,
Mueang Lampang, Lampang 52100
Tel. 0 5402 0170 Fax 0 5402 0175

La Salle

1043 La Salle Road, Bang Na, Bangkok 10260
Tel. 0 2745 8806 Fax 0 2745 8817

Mae Sot

11/32-33 Sai-Asia Road, Mae Sot, Mae Sot, Tak 63110
Tel. 0 5553 6517 Fax 0 5553 6521

Mukdahan

81/6 Mukdahan-Don Tan Road, Si Bun Rueang,
Mueang Mukdahan, Mukdahan 49000
Tel. 0 4261 4245 Fax 0 4261 4249

Nakhon Pathom

176, 178 Songphol Road, Lamphaya,
Mueang Nakhon Pathom, Nakhon Pathom 73000
Tel. 0 3427 3055 Fax 0 3427 3060

Nakhon Ratchasima

22/6 Mittraphab Road, Nai Mueang, Mueang Nakhon
Ratchasima, Nakhon Ratchasima 30000
Tel. 0 4424 5288 Fax 0 4424 5500

Nakhon Sawan

49/52-53 Moo 5, Krairat Road, Nakhon Sawan Tok,
Mueang Nakhon Sawan, Nakhon Sawan 60000
Tel. 0 5688 2341 Fax 0 5688 2347

Nakhon Si Thammarat

6/33-34 Soi Twin Lotus, Pattanakarn Khukhwang Road,
Nai Mueang, Mueang Nakhon Si Thammarat,
Nakhon Si Thammarat 80000
Tel. 0 7577 4636 Fax 0 7577 4640

Pattaya

131/27-28 Moo 9, Sukhumvit Road, Nong Prue,
Bang Lamung, Chonburi 20150
Tel. 0 3841 1213 Fax 0 3842 5209

Phitsanulok

362/19 Moo 3, Mittraphab Road, Aranyik,
Mueang Phitsanulok, Phitsanulok 65000
Tel. 0 5530 4291 Fax 0 5530 4296

Phuket

101/9 Moo 1, Chalermprakiat Rama IX Road,
Bypass Square, Kathu, Phuket 83120
Tel. 0 7630 4055 Fax 0 7630 4059

Rangsit

52/18 Moo 2, Rangsit-Pathum Thani Road, Bang Phun,
Mueang Pathum Thani, Pathum Thani 12000
Tel. 0 2567 1121 Fax 0 2567 2180

Ratchaburi

159/27-28 Phetkasem Road, Na Mueang,
Mueang Ratchaburi, Ratchaburi 70000
Tel. 0 3232 8016 Fax 0 3232 8017

Rayong

313/6-7 Moo 5, Sukhumvit Road (Bypass 36),
Choengnoen, Mueang Rayong, Rayong 21000
Tel. 0 3891 5818 Fax 0 3891 5808

Roi Et

295, 295/1 Tawapiban Road, Nai Mueang,
Mueang Roi Et, Roi Et 45000
Tel. 0 4351 2521 Fax 0 4351 2530

Samutsakorn

199/1 Moo 3, Nadee, Mueang Samutsakorn,
Samutsakorn 74000
Tel. 0 3417 1980 Fax 0 3417 1984

Saraburi

36/1 Moo 1, Dao Ruang, Mueang Saraburi,
Saraburi 18000
Tel. 0 3671 3713 Fax 0 3671 3718

Suphan Buri

150/20-21 Malaiman Road, Rua Yai,
Mueang Suphan Buri, Suphan Buri 72000
Tel. 0 3545 1811 Fax 0 3545 1815

Surat Thani

84/25 Moo 2, Surat-Phunphin Road, Makhm Tia,
Mueang Surat Thani, Surat Thani 84000
Tel. 0 7727 3806 Fax 0 7727 3805

Surin

369/1-2 Moo 16, Salakdai, Mueang Surin, Surin 32000
Tel. 0 4455 8620 Fax 0 4455 8662

Trang

50/17-18 Moo 10, Trang-Palian Road, Khok Lo,
Mueang Trang, Trang 92000
Tel. 0 7558 2848 Fax 0 7558 2847

Ubon Ratchathani

949/9 Chayangkun Road, Nai Mueang,
Mueang Ubon Ratchathani, Ubon Ratchathani 34000
Tel. 0 4531 2081 Fax 0 4531 2085

Udon Thani

154/6 Moo 2, Na Di, Mueang Udon Thani,
Udon Thani 41000
Tel. 0 4293 1585 Fax 0 4293 1610

Uttaradit

2/48-49 Charoentham Road,
Tha It, Mueang Uttaradit, Uttaradit 53000
Tel. 0 5541 6560 Fax 0 5541 6564

Motor Claims Service Center

Kaset-Nawamin

111/19 Moo 4, Soi Prasert-Manukitch 23,
Kaset-Nawamin Road, Chorakhe Bua, Lad Phrao,
Bangkok 10230
Tel. 0 2553 3171-3 Fax 0 2553 3170

Pattanakarn

148 Soi Pattanakarn 20, Pattanakarn Road, Suan Luang,
Bangkok 10250
Tel. 0 2717 8600-3 Fax 0 2717 8660

Sam Sen

45/11 Setsiri Road, Phaya Thai,
Phaya Thai, Bangkok 10400
Tel. 0 2279 5075-7, 0 2279 6615 Fax 0 2279 6616

Micro Branches

Suvarnabhumi Airport

999 Room No. 412, 4th Floor, Building No. 302, Moo 7,
Bangna-Trad Road, Racha Thewa, Bangphli,
Samutprakarn 10540
Tel. 0 2134 4038-9 Fax 0 2134 3598

BKI Care Station

Central Chaengwattana

Tel. 0 2835 3261, 08 1833 6402 Fax 0 2835 3261

Central Chiangrai

Tel. 0 5317 9841, 08 1702 0610 Fax 0 5317 9841

Central Chonburi

Tel. 0 3805 3947, 08 1934 4416 Fax 0 3805 3947

Central Khonkaen

Tel. 0 4328 8136, 08 5485 7593 Fax 0 4328 8136

Central Lardprao

Tel. 0 2937 0187, 08 1172 9459 Fax 0 2937 0187

Central Phitsanulok

Tel. 0 5533 8485, 09 0197 3924 Fax 0 5533 8485

Central Pinklao

Tel. 0 2884 8282, 08 4751 7179 Fax 0 2884 8282

Central Phuket

Tel. 0 7624 8084, 08 1737 0053 Fax 0 7624 8084

Central RAMA 2

Tel. 0 2872 4060, 08 1373 8400 Fax 0 2872 4060

Central RAMA 3

Tel. 0 2673 5512, 08 9967 7455 Fax 0 2673 5512

Central Rama 9

Tel. 0 2160 3808, 09 0197 3925 Fax 0 2160 3808

Central Ramindra

Tel. 0 2970 5726, 08 4360 7400 Fax 0 2970 5726

Central Rattathibet

Tel. 0 2525 4566, 08 1875 0203 Fax 0 2525 4566

Central Suratthani

Tel. 0 7760 2705, 08 1902 4875 Fax 0 7760 2705

Central Ubon

Tel. 0 4542 2400, 08 1172 9608 Fax 0 4542 2400

Central Udon

Tel. 0 4292 1473, 08 4388 3129 Fax 0 4292 1473

Central Westgate

Tel. 0 2004 9160, 06 3221 9907 Fax 0 2004 9160

Central World

Tel. 0 2646 1850, 08 1833 6254 Fax 0 2646 1850

Fashion Island

Tel. 0 2947 5670, 08 1373 7951 Fax 0 2947 5670

Future Park Rangsit

Tel. 0 2958 0787, 08 1832 7767 Fax 0 2958 0787

Mega Bangna

Tel. 0 2105 1655, 06 3272 1727 Fax 0 2105 1655

Paradise Park

Tel. 0 2047 0315, 08 5485 7592 Fax 0 2047 0315

Silom Complex

Tel. 0 2632 0194, 08 9204 9798 Fax 0 2632 0194

The Mall Bangkapi

Tel. 0 2363 3157, 08 4874 3926 Fax 0 2363 3157

The Mall Bangkhae

Tel. 0 2454 5348, 08 4360 7375 Fax 0 2454 5348

The Mall Ngamwongwan

Tel. 0 2121 4657, 08 9967 7451 Fax 0 2121 4657

The Mall Thapra

Tel. 0 2477 7013, 08 4360 7380 Fax 0 2477 7013

LINES OF BUSINESS

Fire Insurance

- Fire Insurance
- Leasehold Insurance
- Business Interruption Fire Insurance
- Fire Dwelling House Insurance Policy (Microinsurance)

Marine Insurance

- Marine Cargo Insurance
- Marine Hull Insurance
- Carriers' Liability Insurance
- Logistics Service Provider Liability Insurance
- Local Fisher Insurance
- Marine Hull Fishery Insurance (Microinsurance)

Motor Insurance

- Compulsory Motor Insurance
- Voluntary Motor Insurance

Miscellaneous Insurance

Personal Insurance

- Personal Accident Insurance
- Group Accident Insurance
- Personal Accident and Health Insurance
- Group Accident and Health Insurance
- Accident and Disease Specific Health Insurance
- Student Group Accident Insurance
- Travel Accident Insurance for Individual or Group of Tourists
- Comprehensive Travel Accident Insurance
- Overseas Student Travel Insurance
- Hospital Income Insurance
- Travel Accident Insurance for Tour Operators and Guides
- PA (Microinsurance)
- Cancer Insurance
- Cancer Plus PA Insurance
- Named Perils Insurance
- Group Named Perils Insurance
- Dread Disease Insurance
- Loan Protection Insurance Policy (Fix Sum Insured)
- Loan Protection Insurance Policy (Decreasing Sum Insured)
- Boat Passenger Personal Accident Insurance
- Health Insurance for Long Stay Visa

Property Insurance

- Accidental Damage (Property) Insurance
- All Risks Insurance
- Burglary Insurance
- Plate Glass Insurance
- Money Insurance
- Neon Sign Insurance
- Terrorism Insurance
- Political Violence for Property Insurance
- Gold Shop Insurance
- Electrical Appliance Extended Warranty Insurance
- Motorcycle Insurance for Lessor and Lessee

Engineering Insurance

- Contract Works Insurance
- Erection All Risks Insurance
- Boiler & Pressure Vessel Insurance
- Electronic Equipment Insurance
- Contractors' Plant and Equipment Insurance
- Machinery Breakdown Insurance

Liability Insurance

- Public Liability Insurance
- Employer's Liability Insurance
- Medical Malpractice Liability Insurance
- Medical Malpractice Insurance (Institution)
- Professional Liability Insurance Architects and Engineers
- Directors and Officers Liability Insurance
- Workmen's Compensation Insurance
- General Public Liability Insurance for the Controlled Business Category 3
- Building Inspector Insurance Policy
- Legal Liability Insurance from Unsafe Product
- Transportation of Hazard Material Liability Insurance
- Public Liability Insurance for Mine

Other Insurance

- Fidelity Guarantee Insurance
- Bail Bond Insurance
- Trade Credit Insurance
- Home Multicover Insurance
- Golfer's Indemnity Insurance
- Wedding Insurance
- Shop Multicover Insurance
- Surety Bond Insurance
- Motor Accident Compensation Insurance
- Business Insurance for SME
- Aviation Insurance
- Event Cancellation Insurance
- Aircraft Hull, Spares & Liability Insurance
- Aviation Personal Accident Insurance
- Dormitory Insurance
- Jet Ski Insurance
- Bike Insurance
- Durian Insurance
- Lava Durian Insurance
- Corporate Cyber Insurance
- Personal Cyber Insurance
- Group Cyber Insurance
- Cannabis Hemp Crop Insurance (Coverage 180 Days)

CORPORATE GOVERNANCE

THE POLICY ON GOOD CORPORATE GOVERNANCE

1. The Overall Policy on Practice Guideline for Good Corporate Governance

The Bangkok Insurance Public Company Limited Board of Directors fully realizes the significance of good corporate governance for listed companies for 2017 of the Securities and Exchange Commission (SEC), based on transparency, accuracy and fairness, as an important factor in enhancing the organization's efficiency and sustainably creating the value for the organization, generating the greatest benefit for all stakeholders, and has thus defined, in writing, the policy on good corporate governance by publishing on the website www.bangkokinsurance.com/company/policy so that the Company's Board of Directors, management and all employees will understand, as well as attach and comply to it until it becomes the organization's culture. This, of course, will result in the Company's business having a standard, fair and transparent management system generating income and increasing the long-term value for investors, apart from creating confidence among all parties of stakeholders and supporting and promoting the Company's sustainable growth of competitiveness.

1.1 Policy and Practice Guideline Concerning the Company's Board of Directors

The Company's Board of Directors, in its capacity as the Company's leader with the greatest responsibility, plays a significant role in overseeing the Company's administration and sound operating returns in the long term, generating confidence and trust among shareholders and all parties of stakeholders, for the Company's greatest benefit, sustainably creating the value of its affairs. The Company's Board of Directors is independent of its management and performs its duties with responsibility, caution, honesty and in compliance with the law, objectives, rules and regulations, Board of Directors' resolutions, as well as shareholders' meeting resolutions. The Company has defined its policy and practice guideline relating to its Board of Directors as the following:

- **The Components of the Company's Board of Directors**

The Company has determined the structure of its Board of Directors comprising at least 5 directors and no less than three-fourths of the total number of directors must be of Thai nationality.

- **The Qualification of Board Directors, Independent Directors and Directors of the Audit Committee**

The Company's Board of Directors, having a role, duties and responsibilities for overseeing and preserving the interest of stakeholders and shareholders, has defined appropriate qualifications of the Company's Board directors, independent directors and directors of the Audit Committee. Their detail appears in section The Nomination and Appointment of Senior Executives.

- **Nominations of Board Directors**

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to take care of the issue of the appropriate proportion, number and components of the Board of Directors. Its detail has been reported in section The Nomination and Appointment of Directors and Senior Executives.

- **The Board of Directors' Meeting**

The Company's Board of Directors has determined its meeting a minimum of 4 times a year and there may be an additional extraordinary meeting as the Board thinks necessary. The meeting is convened once a quarter and the meeting invitation letters, including an agenda and other relevant documents, will be delivered, no less than 7 days prior to the date of the meeting, to all the Board members. In addition, the Board also has a policy encouraging its non-executive directors to convene a meeting among themselves, and assigns the Company Secretary to facilitate such a meeting.

- **Board Directors' Term of Office**

At every annual general meeting, one-third of the directors shall retire. Directors who vacate office may be re-elected. The shareholders' meeting may pass a resolution removing any director from office, prior to retirement, by reason of the expiration of the director's term of office, by a vote of not less than three-fourths of the number of shareholders attending the meeting, who have the right to vote and who hold shares totaling not less than half the number of shares held by shareholders attending the meeting and having the right to vote.

- **Sub-Committees**

The Company's Board of Directors has appointed sub-committees to help consider its significant work, and has thus defined roles, duties and responsibilities of sub-committees. The detail is given in section The Structure of Sub-Committees.

- **Determination of Remuneration for Directors and Management**

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to be responsible for the determination of remuneration for directors and management. There is only a meeting allowance for Board directors. The determination of remuneration takes into account the scope of roles, responsibilities, benefits to be derived from each Board director, and a comparison with other listed companies of similar industry or with approximate operating returns, prior to being presented to shareholders' general meeting by the Board for consideration for approval. The remuneration for directors and management is appropriate and sufficient to motivate them to perform their duties in order to fulfil the business goal and direction defined by the Company.

Furthermore, the Remuneration and Nomination Committee has annually made an assessment of the performance of the Company's head of department and senior executives so as to be used for the determination of their remuneration, and presentation to the Board for consideration for approval.

- **Development of the Board of Directors and Executives**

The Company's Board of Directors has a policy of promoting and supporting directors, executives and other staff, relating to the Company's corporate governance system, to receive regular training with an aim to constantly improve their performance, apart from encouraging directors and executives to attend a training course concerning the Company's business transactions, aimed at enhancing their knowledge and supporting their efficient duty performance.

For a new Board director orientation, the Company's Board of Directors has a policy of having a new Board director receive orientation for knowledge relating to the Company's business transactions. Every time there is a change in the Board, the Company has assigned its secretary to arrange for a new Board director instruction for the Company's overall operating performance, Board of Directors' structure, and corporate governance, aimed at his/her understanding and the benefit to his/her duty performance, besides submitting supplementary documents to a new director, such as the Company's annual report, policy on corporate governance, policy on anti-corruption, policy on a whistle blowing, and so on.

- **Evaluation of the Board's Duty Performance**

The Company's Board of Directors has stipulated that there shall be an evaluation of the Board's work performance at least once a year, both in the form of an evaluation of the entire Board's work performance: to be used to evaluate the Board of Directors' overall duty performance, an evaluation of an individual Board director's work performance: to be used for a self-evaluation of a Board director's duty performance, and an evaluation of a sub-committee's work performance: to be used to evaluate the overall duty performance of the Audit Committee, the Corporate Governance Committee, and the Remuneration and Nomination Committee.

- **The Overseeing of Affiliated Companies and Associated Companies**

The Company has conducted its business transactions for only 3 associated companies. The Company's Board of Directors has appointed board directors or executives as the associated companies' board directors. In case of being the Company's board directors, they will be nominated and proposed to the Chairman of the Board for approval. Those appointed as associated companies' board directors have duties to preserve the interest for the Company's investment fund.

1.2 Policy and Practice Guideline Regarding Shareholders and Stakeholders

- **Shareholders' Rights**

The Company fully realizes and gives priority to shareholders' basic right, for instance, the right to purchase, sell or transfer shares, right to receive the Company's profit share and dividend, right to attend shareholders' general meeting to cast a vote, right to appoint or remove a board director and determine his/her remuneration, right to appoint an auditor and determine his/her service remuneration, right to collectively make a decision on the Company's significant affairs, right to obtain the Company's data and information quickly, completely and adequately, right to be timely informed of meeting attendance regulations and procedures, as well as sufficient data and information for consideration for each agenda prior to the meeting, apart from having an opportunity to interrogate board directors both during the meeting and by submitting questions prior to the meeting, and an opportunity to propose the meeting agenda, besides having the right to give a mandate to another person to attend the meeting instead. In this connection, the Company has encouraged all shareholders to fully exercise their rights through shareholders' general meeting (The Company has only one type of common stock; a common stock has one voting right.).

- **Equal Treatment of Shareholders**

The Company's encouragement of equal and fair treatment of all shareholders are, for instance, its policy on providing an opportunity to the minority of shareholders to nominate, at an appropriate time, a new director in advance, giving an opportunity to a shareholder who cannot attend a meeting to exercise his/her rights by giving a mandate to another person to attend the meeting and vote on his/her behalf, and giving an opportunity to the minority of shareholders to add a meeting agenda in advance prior to the shareholders' meeting day; determination of measures preventing the Company's board directors and executives from using insider information to seek any advantage for themselves or others illegally, including determination of board directors' and executives' disclosure of data on their stakeholding and that of other concerned people.

- **Stakeholders' Rights**

The Company has defined a policy for each group of stakeholders such as customers, employees, business partners, shareholders or investors, communities, society or the government sector, including competitors, taking into account all stakeholders' rights in compliance with laws or agreements made to the Company, participation in enhancing the Company's operations, and sufficient disclosure of related significant data for acknowledgement so that they can efficiently perform their duties in the participation. The determination of the policy on corporate social responsibility, particularly the issues having a direct impact on the Company's business transactions, is aimed at generating confidence among parties concerned that the Company's business performance has taken into account social and environmental factors based on sustainable development, has a performance guideline which does not violate intellectual properties or copy rights, a policy on

anti-corruption practices and whistleblowing practices and protection of whistleblower's rights, and provision of a channel for each group of stakeholders to give suggestions and comments or file a complaint to the Company's Board of Directors.

- **Data Disclosure and Transparency**

The Company has a policy on accurate, complete, timely and transparent disclosure of significant data and information, both financial and non-financial, relating to the Company through an easy-to-access channel so that the shareholders are equally informed of it. The important data the Company has to disclose includes the Company's vision and missions, type of business transactions, shareholders structure, Board of Directors and executives, Board's and sub-committees' charters or duties and responsibilities, financial statements and financial situation and the Company's operations, organization structure, the code of ethics for the Company's Board directors and employees, policies, and arrangements of an Investors Relations to equally and fairly communicate with related outsiders, apart from those responsible for disseminating data and information of the Company's performance and returns to the public through various media and the Company's website.

- **Prevention of Use of Insider Information**

The Company has given top priority to overseeing the use of insider information in conformity with the principle of good corporate governance. As a consequence, access to the Company's information is limited to executives and employees, and all computerized data is available only to those entitled to be entrusted with a password. The Board of Directors and the Management will not, as fundamental to their management principles, disclose the Company's performance data to outsiders, or exploit their authority or opportunities at work to seek any advantage for themselves or related people, before the data is revealed to the general public. Besides, the Company's Board directors, executives and employees, informed of data substantial to securities price alteration, are forbidden to purchase or sell the Company's stocks during the period defined until such insider information is revealed to the general public and it is beyond twenty-four hours starting from the date the data is displayed. In the case of violations of disciplinary rules and regulations, the Company will rule on their penalties in accordance with its policy.

The Company has formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, financial products to be reported, reporting methodology, and reporting time, including the report to the Company's Board, have been defined so that the Board, management and the people concerned will strictly comply with them. This is intended not only to create a correct understanding for those taking charge of reporting, but also to be a measure for effectively overseeing the use of insider information.

- **Prevention of Conflict of Interest**

The Company's Board of Directors has taken measures to impede

conflicts of interest and the seeking of one's self-interest by defining this as a principle in the rule of conduct for both Board directors and staff. Additionally, the Board has assigned the Audit Committee to oversee and report to it on crossover transactions and those with conflicts of interest. These have been cautiously considered for appropriateness, with honesty, justification and independence based on the defined code of ethics, in the best interests of the Company, all of which is performed in the same manner as transactions made with outsiders. Furthermore, the Audit Committee has also performed in accordance with the SET's criteria in reporting on and disclosing such information each quarter in the Company's annual report (One Report).

- **Risk Management, Internal Control and Internal Audit**

The Company has provided for the systems of risk management, internal control and internal audit, including the performance in compliance with laws, and related rules and regulations, aimed at minimizing the Company's business transaction risk to an acceptable level and being able to achieve its short-and long-term objectives and goals.

- **Anti-Corruption**

The Company has defined a policy on anti-corruption, a policy on good corporate governance, and corporate conduct to confirm its intention of conducting business transactions in conformity with related laws and orders based on the principle of good corporate governance, placing emphasis on banning the Company's board directors, management and employees from accepting corrupt practices of all forms, while performing in strict compliance with the policy, apart from having steady verification of performance in line with the policy, including a review in accordance with business alterations and legal requirements.

1.3 Investment Governance Policy

The Company has conducted its business transactions with responsibility, transparency, good corporate governance and paying attention to its shareholders, customers, business partners, employees and regulator, apart from being seriously responsible to society and the environment, focusing on sustainable growth. The Company fully realizes the significance of the principle of investment governance and has therefore declared its Investment Governance Code (I Code) since 2017 onwards, with the Board of Directors' approval. The Company has formulated its "Investment Governance Policy" in order for its Board of Directors, management and employees, related to the performance, to use as a performance principle, with responsibility and having an efficient decision for and follow-up of investment, besides taking part in overseeing the company in which the Company has invested so that the former conducts its business transactions on the Environmental, Social and Governance (ESG) basis, resulting in all parties of stakeholders' sound and sustainable operating returns.

2. Business Code of Conduct

The Company's Board of Directors has provided for the Company's code of conduct, including propagating the code of conduct

on the website at www.bangkokinsurance.com and the Company's Intranet. This aims at communicating good practices to the Company's Board and staff so that they will regularly use them as a principle for their work performance, in compliance with the Company's vision attaching to the conduction of business transactions through being an organization of sound morality. In this connection, it is the duty of all levels of management to make sure that their subordinates know, understand and concretely perform according to the Company's code of conduct. The substance of the business code of conduct includes the following.

1. Ideal and philosophy of business transactions: through generating security for business and society, maintaining faith via the provision of excellent services, possessing honesty, fairness and morality, apart from developing the organization through personnel development, aimed at their knowledge and capability to perform their work professionally.
2. Code of conduct for board directors: for use as a principle for their performance based on the standard of board directors' sound morality.
3. Code of conduct for employees: consisting of ethical conduct toward the Company, ethical conduct toward one's superiors, subordinates and colleagues, ethical conduct toward oneself, as well as ethical toward society and the environment.

3. Significant Change and Development of the Policy, Practice Guideline and System of Good Corporate Governance over the Past Year

The Company's Board of Directors has constantly reviewed the policy, practice guideline and system of good corporate governance in order to enhance the efficiency of good corporate governance and raise the standard of the principle of good corporate governance of the Company so that it is in accordance with the principle of good corporate governance for listed companies for 2017. In 2021, the Company's Board of Directors had made a review of the following issues.

- 3.1 The Company's Board of Directors had approved of establishing, in writing and for the first time, the policy on good corporate governance in 2005, and regularly made an annual review of the policy on good corporate governance through assigning the Company's Management to be responsible for following up the performance consequence and subsequently reporting on suggestions to the Corporate Governance Committee for consideration for approval, aimed at its updating and appropriateness for the situations, besides having a practice guideline of better international standards.

In 2021, there was an 11th improvement of the policy on good corporate governance on November 12, 2021 as the following:

1. Increase the Company's Board of Directors' and the Information Technology Committee's authority for approval of the budget and procurement on the information technology work.
2. Increase the Audit Committee's duties and responsibilities for the verification and approval of an annual audit work plan.
3. Increase a practice guideline for anti-corruption.

- 3.2 The Company's Board of Directors has considered and realized its roles and duties as the organization's leader, as well as encouraged an adjustment of the Corporate Governance Code: CG Code, issued by the SET, to the Company's context, aimed at generating the business's sustainable value, making business transactions based on a moral basis, respecting the rights of and having responsibilities to shareholders and stakeholders, being able to adapt itself to changes and being competitive through sound financial returns in the long run, benefiting society, as well as developing and reducing impacts on the environment.

In 2021, the Company's Board of Directors had completely scrutinized and comprehended the benefits and significance of a proper adjustment of the CG Code to the Company's performance to further create sound financial returns and sustainable business value. Nonetheless, for the practice guideline inappropriate for the Company's business transactions, its Board had considered and issued suitable substitute measures and recorded it as part of the Board's resolution for annual consideration and review. In 2021, the Company had an issue it had not practiced and had an appropriate substitute measure as the following:

1. Defining the criteria limiting the number of listed companies in which the Company's board directors may hold office, the total not exceeding 5 companies.
2. A policy allowing an independent director to continuously hold office not exceeding 9 years, starting from the day he/she is appointed to the post of an independent director for the first time.

Since compliance with such a principle may affect the nomination of qualified persons to sit on the Board. Nevertheless, the Board has constantly reviewed its director's term each year and in the case of an independent director being appointed for another term, the Board will scrutinize the necessity, and his/her skills, experiences and specific capability beneficial to the Company.

- 3.3 Practices on other issues based on the principle of good corporate governance. The Company has had a strong determination and intention to conduct its business transactions based on the Corporate Governance Code, causing the Company to constantly derive rating and awards for its good corporate governance as follows:

1. The Company's corporate governance assessment score for listed companies based on the Corporate Governance Report of Thai Listed Companies (CGR) for 2021, organized by the IOD, at an "Excellence" level.
2. The Company's score in 2021, for a quality evaluation of the Company's shareholders' general meeting (AGM Checklist) organized by the Thai Investors Association, being 100 out of a total of 100.
3. The Outstanding Ethics Award from TCC Best Award 2021, organized by the Thai Chamber of Commerce.

THE STRUCTURE OF GOOD CORPORATE GOVERNANCE

1. Data on the Board of Directors

1.1 Components of the Company's Board of Directors

The structure of the Company's Board of Directors is determined by the Company's shareholders' meeting resolutions, but the Board shall comprise at least 5 directors and no less than three-fourths of the total number of directors must be of Thai nationality. Similarly, no more than one-third of the Company's Board shall be executive directors, and at least one-third of the Board, but no fewer than 3 directors, shall be independent so that the Board's authority is counterbalanced by non-executive directors, and hence the Board itself can efficiently oversee the Company's

performance in accordance with the Company's policy on good corporate governance.

The Board of Directors (as at December 31, 2021) comprises 12 members as the following:

1. Executive director consists of 1 member.
2. Non-executive directors consist of 11 members, 9 of whom are independent directors, amounting to more than one-third of all Board members.

1.2 Names of the Board of Directors

The names of the Board of Directors, including their meeting attendance and remuneration in 2021 are given below.

Name-Position			No. of Attendance/Invitation				Annual Remuneration (Baht)****
			1	2	3	4	
1. Executive Director							
1. Dr. Apisit Anantanatarat	Chief Executive Officer and President	7/7	-	-	-	1,000,000	
2. Non-Executive Directors							
2. Mr. Chai Sophonpanich	Chairman	7/7	-	-	-	2,000,000	
3. Mr. Satoru Okura	Independent Director	6/7	-	-	-	1,000,000	
2.1 The Audit Committee*							
4. VDC Col Plengsakdi Prakaspesat	Independent Director	7/7	-	-	-	1,000,000	
	and Chairman of the Audit Committee	-	6/6	-	-	400,000	
5. Miss Potjaneer Thanavararit	Independent Director	7/7	-	-	-	1,000,000	
	and Director of the Audit Committee	-	6/6	-	-	400,000	
6. Mr. Chor.nun Petpaisit	Independent Director	7/7	-	-	-	1,000,000	
	and Director of the Audit Committee	-	6/6	-	-	400,000	
2.2 The Remuneration and Nomination Committee**							
7. Mr. Singh Tangtaswa	Independent Director	7/7	-	-	-	1,000,000	
	and Chairman of the Remuneration and Nomination Committee	-	-	2/2	-	100,000	
8. Mr. Suvarn Thansathit	Independent Director	7/7	-	-	-	1,000,000	
	and Director of the Remuneration and Nomination Committee	-	-	2/2	-	100,000	
9. M.R. Supadis Diskul	Independent Director	7/7	-	-	-	1,000,000	
	and Director of the Remuneration and Nomination Committee	-	-	2/2	-	100,000	

Name-Position	No. of Attendance/Invitation				Annual Remuneration (Baht)****
	1	2	3	4	
2.3 The Corporate Governance Committee***					
10. Mrs. Ninthira Sophonpanich Independent Director and Chairman of the Corporate Governance Committee (Appointed as Chairman of the Corporate Governance Committee on August 13, 2021)	7/7	-	-	-	1,000,000
	-	-	-	1/1	100,000
11. Mr. Thongchai Ananthothai Independent Director and Director of the Corporate Governance Committee (Appointed as director on April 23, 2021 and as director of the Corporate Governance Committee on August 13, 2021 Resigned as from January 25, 2022)	5/5	-	-	-	750,000
	-	-	-	1/1	100,000
12. Mr. Panus Thiravanitkul Director and Director of the Corporate Governance Committee	7/7	-	-	-	1,000,000
	-	-	-	1/1	100,000
Mr. Virasak Sutanthavibul Independent Director and Chairman of the Corporate Governance Committee, and Director of the Remuneration and Nomination Committee (Resigned as from February 18, 2021)	-	-	-	-	-
Total	7 Times	6 Times	2 Times	1 Times	14,550,000

Notes: Meeting Attendance/Number of Meeting Invitations

- 1 The Board of Directors' meeting: each board's meeting attendance had a proportion of over 85 percent of the total annual meetings.
 - 2 The Audit Committee's meeting in 2021: the Audit Committee convened 6 meetings, 4 of which were attended only by its members, and 2 of which were attended by the independent auditor and without the attendance of the Company's Management.
 - 3 The Remuneration and Nomination Committee's meeting.
 - 4 The Corporate Governance Committee's meeting.
- * The Audit Committee, consisting of 3 independent members who are non-executive directors, was appointed by the Board's resolution on November 13, 2020, and effective from November 17, 2020, for a three-year term. The Committee's term will be due on November 16, 2023. The Committee members, comprising VDC Col Plengsakdi Prakaspesat, Miss Potjane Thanavarani and Mr. Chor.nun Petpaisit, were appointed by the Board's resolution. Each of the 3 Audit Committee members possesses comprehensive knowledge and vast experience in the verification of the Company's financial statements. Details of their educational background and working experience, particularly in the verification of financial statements, are revealed in the history of the Board directors.
- ** The Remuneration and Nomination Committee was appointed by the Board's resolution on August 9, 2019, and effective from August 18, 2019, for a three-year term. The Committee's term will be due on August 17, 2022.
- *** The Corporate Governance Committee was appointed by the Board's resolution on August 13, 2021, and effective from August 13, 2021, for a three-year term. The Committee's term will be due on August 12, 2024.
- **** The Board Directors' Remuneration for 2021 was approved by shareholders' 28th general meeting on April 23, 2021, in the amount not exceeding Baht 16,000,000.

Remuneration in the Form of Money

As at December 31, 2021, the Company's executive directors comprised 12 members, who were paid a total remuneration of Baht 85,362,126 consisting of such fixed remunerations as salary, motor expenses, and a contribution to the social security fund, as well as a remuneration varying with certain factors such as bonus. Out of 12 executive directors, one is an executive member. The paid remuneration does not exceed the amount which has been approved by directors and shareholders and it was taken into consideration based on such factors as the executives'

performance and the Company's operations such as insurance premium's growth, the Company's income, the asset growth compared to the other insurance companies in the country, the potential of business development, the improvement of performance efficiency, and the development of the Company's staff. The Chief Executive Officer and President's short-term remuneration comprises salary, a contribution to the social security fund, and bonus, while the long-term remuneration comprises the provident fund.

Other Remuneration

In 2021, other remuneration, which is a fixed remuneration, such as provident fund and severance pay upon retirement, totaling Baht 10,705,580, was paid to 12 Company executive directors and executive member. Such remuneration is appropriate to the Board directors' and executive member's responsibilities and can motivate them to lead the organization in performing in accordance with both the short-and long-term goals, apart from being competitive within the industry.

Accordingly, in 2021, a total remuneration, both in the form of money and others, of Baht 96,067,706 was paid.

1.3 The Scope of Duties and Authority of the Company's Board of Directors

The Company's Board of Directors plays a role in overseeing the Company's administration to ensure that its management has implemented all the Company's policies and fulfilled its performance goals as proposed to the Board, including having a strong determination to achieve an excellent work performance for the benefit of the Company's shareholders and all groups of stakeholders. The Company's Board's scope of duties and authority also includes the following.

1. The Company's Board has the authority to implement the following issues

- 1.1 To consider the appropriateness of an appointment and define the scope of duties and responsibilities of sub-committees, including supporting the performance of sub-committees and divisions related to them so that they can perform their duties efficiently.
- 1.2 To consider an appropriate authorization to the Chief Executive Officer, the President and executives for a swift performance of normal business.
- 1.3 To consider the appropriateness of an appointment of the Company Secretary and define the scope of his/her duties and responsibilities.
- 1.4 To consider the Company's investment and other business transactions which are beyond the amount approved by the Investment Committee.
- 1.5 To consider a transaction with a person or juristic person related to the Board director, or within the scope of related parties transactions/procurement or disposal.
- 1.6 To consider the appropriateness of an appointment and dismissal of an independent person so that he/she acts as the Company's auditor, apart from determining that person's remuneration, before presenting it to shareholders' meeting for further consideration for approval.
- 1.7 To consider the budget related to information technology, and the procurement of the Company's information technology work which is beyond the amount approved by the Information Technology Committee.

- 1.8 To conduct any duties so that they are in accordance with laws, orders and the Company's shareholders' meeting resolutions.

2. The Company's Board has the following duties and responsibilities

- 2.1 To consider, define and approve of the Company's guidelines, policies, vision, strategies and business plans so that they go in accordance with the framework for risk management, policy on risk management and acceptable risk level as proposed by the management, apart from overseeing the Company's consideration of its sustainable business transactions, and avoidance of undertaking risk that is beyond an acceptable level, including following up the management's performance consequences so that they are efficient and effective in accordance with the strategies and policies defined.
- 2.2 To consider for approval of the policy on good corporate governance, framework for risk management, policy on risk management, report on the Company's overall risk management, risk assessment and financial standing, policy on investment corporate governance, policy on investment and other business transactions, framework for reinsurance management, policy on conflict of interest, policy on anti-corruption, and policy on whistle blowing, all for the management's implementation. This includes a review of such policies and an evaluation of implementation consequences so that the management can make yearly improvements.
- 2.3 To oversee the Company's performance to ensure that it defines remuneration payment policy for the Company's Board, management and employees with consideration of the Company's long-term security.
- 2.4 To ensure that the Company has a practice guideline concerning the morality of its business performance, as well as good practices of the Board, management and employees, including an effective communication mechanism for the acknowledgement of the parties concerned.
- 2.5 To ensure that the Company has obvious organizational structure and responsibilities so that it has proper management.
- 2.6 To oversee the Company's performance so that it has appropriate and efficient systems of risk management, internal control and audit.
- 2.7 To oversee the Company's auditor to ensure that he/she makes a management letter and senior executives' opinions and present them to the Company's Board, apart from arranging for a meeting, at least once a year, between the Audit Committee and the independent auditor, without the attendance of the Company's Management.

- 2.8 To ensure that the Company has an annual performance evaluation of its Board of Directors, the Chief Executive Officer and the President, including overseeing an arrangement of an effective procedure for an assessment of the Company's executives' duty performance.
 - 2.9 To ensure that the Company has disclosure of data on its good corporate governance to the general public.
 - 2.10 To oversee the Company's performance so that it has a procedure of financial statements preparation that is accurate, reliable, in accordance with related standards, and discloses significant data accurately, adequately and timely to the public and regulator, including making a report on the Board of Directors' responsibility for financial statements, which is displayed in the Company's annual report.
 - 2.11 To ensure that the Company performs in accordance with laws, regulations and orders related to the Company's business transactions.
 - 2.12 To ensure that the Company has fund which is secure and sufficient for its business transactions both currently and in the future, as well as steadily follows up the fund status, including having a procedure or tool overseeing the fund adequacy so that it is at a stable level.
 - 2.13 To ensure that the management reports on the Company's significant issues and has an effective data reporting procedure so that the Company's Board will derive sufficient data to completely perform in accordance with its authority, duties and responsibilities.
 - 2.14 To oversee the Company's performance so that it treats its customers fairly and has clear steps or procedures in offering its sales and making a claim payment based on the contract, not causing a misunderstanding or taking advantage over customers' misunderstanding.
 - 2.15 To generate effective selection procedures and succession plans for the Company's Board of Directors and management. The Board will appoint the Chief Executive Officer and the President as head of the management team responsible for the Company's business performance under the Board's supervision.
 - 2.16 To provide a channel for the Company's stakeholders to communicate with the Company's Board in order to inform of useful information or advice to the Company for consideration and implementation in accordance with the defined procedures.
 - 2.17 To oversee the use of information technology to ensure that it is in line with the Company's strategies on business transactions, including overseeing its risk management of information technology and cyber threat.
 - 2.18 To ensure that there is a formulation of policies concerning overseeing and risk management of information technology and cyber threat.
 - 2.19 To conduct any duties so that they are in accordance with laws, orders and the Company's shareholders' meeting resolutions.
- ### 3. The separation of roles, duties and responsibilities between the Board Chairman and the Chief Executive Officer
- The Company's Board of Directors has clearly separated the roles, duties and responsibilities between the Board Chairman and the Chief Executive Officer to ensure that the Company's business transactions are in compliance with laws and the principle of good corporate governance through the following.
- #### 3.1 The Chairman has the following roles and responsibilities.
- 3.1.1 To be the leader of the Company's Board of Directors and responsible for overseeing and following up the Board's and sub-committees' performance so that it is efficient and achieve the objectives of the work plan defined.
 - 3.1.2 To determine the Board's meeting agenda by discussing with the Chief Executive Officer and having a measure overseeing that significant issues have been inserted on the meeting agenda.
 - 3.1.3 To be the chairman of the Board's meeting, and have the casting vote at the Board's meeting in the case of a tied vote.
 - 3.1.4 To convene the Board's meeting or assign another person to act on his behalf.
 - 3.1.5 To be the chairman of the shareholders' meeting and control it so that it is in accordance with the agenda defined.
 - 3.1.6 To promote the Company's Board's standard of good corporate governance.
 - 3.1.7 To provide for time adequate for the management to propose items on the agenda, and for board directors to discuss significant issues cautiously and comprehensively, including encouraging the latter to use careful discretion and give independent opinions.
 - 3.1.8 To generate a good relation between executive directors and non-executive directors, and between the Company's Board and management.
 - 3.1.9 To ensure that all the Company's board directors take part in promoting the culture of an organization of sound morality and good corporate governance.
- #### 3.2 The Chief Executive Officer has the following roles and responsibilities.
- 3.2.1 To oversee the Company's business transactions so that they go in accordance with the vision, strategic plans, business transaction objectives and policies assigned by the Company's Board, including performance based on related laws, rules and regulations.
 - 3.2.2 To follow up and evaluate the Company's operating performance and continuously report, to the Company's Board of Directors, on the performance consequences on significant issues.

- 3.2.3 To oversee an issuance of orders or proclamations to ensure that the Company's performance is in conformity with its policies and related laws.
- 3.2.4 To oversee an appointment of specific-purpose committees and define the scope of their duties and authority.
- 3.2.5 To consider for approval of the Company's investment and expenses on the performance of normal business which are within the amount approved.
- 3.2.6 To conduct any duties assigned to the Chief Executive Officer by the Company's Board of Directors.

4. The Board of Directors' Meeting

- 4.1 The Company's Board of Directors has determined in advance its meeting a minimum of 4 times a year so that each Board member will be informed of and set aside time for the Board's meeting. Nevertheless, there may be an additional extraordinary meeting as the Board thinks necessary.
- 4.2 The meeting invitation letters, including an agenda and other relevant documents, will be delivered, no less than 7 days prior to the date of the meeting, to all the Board members. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company Secretary.
- 4.3 For each meeting, the Chairman of the meeting is in charge of providing time for presentations of related information, discussions and interrogations, as well as for each Board member to make a comprehensive comment.
- 4.4 In consideration of the agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda.
- 4.5 The Board may ask the Chairman or the Company Secretary for additional explanations and examination of relevant documents.
- 4.6 The Board encourages its non-executive directors to convene a meeting among themselves, and assigns the Company Secretary to facilitate such a meeting upon request from non-executive directors.

5. Directors Authorized to Bind the Company to Any Decision

The Company's Board directors who are authorized to bind the Company to any decision are two out of the three directors, namely Mr. Chai Sophonpanich, Mr. Panus Thiravanitkul or Dr. Apisit Anantanatarat, who must sign together and affix the Company's seal.

2. Data on Sub-Committees

2.1 The Structure of Sub-Committees

The Company's management structure consists of 2 major groups of committees as the following:

1. Committees which are appointed by and directly report to the Board, comprise 6 committees, namely the Audit Committee, the Remuneration and Nomination Committee,

the Corporate Governance Committee, the Investment Committee, the Risk Management Committee and the Products Committee.

2. Committees which are appointed by and directly report to the Management Committee, consists of 7 committees, namely the Sustainable Development Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee, the High Loss or Complicated Claims Committee and the Procurement on Building Management Committee.

2.2 Names and the Scope of Duties and Authority of Sub-Committees

1. Committees Appointed by and Directly Reporting to the Board

The Company's Board of Directors has appointed 6 committees, which directly report to the Board, comprising the Audit Committee, the Remuneration and Nomination Committee, the Corporate Governance Committee, the Investment Committee, the Risk Management Committee and the Products Committee. In this regard, Board directors and/or executives, not including the Board chairman, have been appointed as members of the 6 committees in order to help consider significant work cautiously and in compliance with the Company's policy on good corporate governance and the OIC's laws and regulations. Each committee has the following components and scope of duties and authority.

1.1 The Audit Committee

The Audit Committee (as at December 31, 2021) is comprised of 3 independent Board directors, namely

- | | |
|-----------------------------------|--|
| 1. VDC Col Plengsakdi Prakaspesat | Independent Director and Chairman of the Audit Committee |
| 2. Miss Potjanee Thanavaranit | Independent Director and Director of the Audit Committee |
| 3. Mr. Chor.nun Petpaisit | Independent Director and Director of the Audit Committee |

Each director of the Audit Committee has skills, knowledge, understanding and working experiences in accounting and finance. All 3 directors of the Audit Committee possess sufficient knowledge and experience to verify the reliability of the Company's financial statements.

The Director of the Audit Committee's Term of Office

The director of the Audit Committee has a three-year term.

The Scope of Duties and Authority of the Audit Committee

The Audit Committee has the following scope of duties and authority.

1. To verify the Company's financial statements to ensure that they are completely, accurately and reliably established in accordance with Thai Accounting Standards, while significant data is sufficiently disclosed.
2. To verify and approve of the annual audit work plan.
3. To verify and make an assessment of the Company's systems of internal control, internal audit and risk management to ensure their appropriateness, effectiveness and compactness, based on the framework accepted by international standards, including defining the Internal Audit Office's duties, responsibilities, authority and independence, and an approval for the appointment, reshuffle and employment termination of the head of the Internal Audit Office.
4. To verify the Company's practices to ensure that they are in compliance with the Security Act and Security Exchange Act, the SET requirements, Non-Life Insurance Act, the OIC requirements, and other laws related to the Company's business.
5. To consider a selection and proposal for an appointment and employment termination of an independent person who acts as the independent auditor, and fix his/her remuneration, including attending a meeting, at least once a year, with the auditor but without the Management in attendance.
6. To oversee crossover transactions and those with conflicts of interest so that they are in compliance with laws and the SET requirements, and bring about maximum benefits to the Company.
7. To provide recommendations to the Management for its efficient and effective overseeing of the Company's operations, and report to the Board of Directors for an improvement within the time the Audit Committee sees appropriate, in the case the Audit Committee has found or become suspicious of the following transactions or acts.
 - (a) Transactions with conflicts of interest.
 - (b) Malfeasance, abnormality or significant deficiency in the internal control system.
 - (c) Violation of laws on non-life insurance or other laws related to the Company's business.
8. To prepare the Audit Committee's report, which shall be included in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and consist of a minimum of the following data:
 - (a) An opinion on the Company's financial statements' accuracy, completeness and reliability.
 - (b) An opinion on the Company's adequacy and effectiveness of internal control systems.
 - (c) An opinion on the practices in accordance with the Security Act, the SET requirements or other laws related to the Company's business.
 - (d) An opinion on the Company's auditor's appropriateness.

- (e) An opinion on transactions with conflicts of interest.
 - (f) The number of the Audit Committee's meetings and each committee member's meeting attendance.
 - (g) An overall opinion or note that the Audit Committee has received due to its duty performance based on the Charter.
 - (h) Other items which the Audit Committee thinks that the Company's shareholders and general investors should know, within the scope of duties and responsibilities assigned to it by the Board of Directors.
9. To verify a self-evaluation form relating to anti-corruption measures to ensure that the Company possesses effective anti-corruption systems as reported in the IOD's self-evaluation form.
 10. Any other implementations assigned to the Audit Committee by the Board of Directors, with an approval of the former.

The Audit Committee's Meeting

A minimum of four meetings a year is defined.

1.2 The Remuneration and Nomination Committee

The Remuneration and Nomination Committee (as at December 31, 2021) comprises 3 independent Board directors, namely,

- | | |
|--------------------------|--|
| 1. Mr. Singh Tangtaswas | Independent Director and Chairman of the Remuneration and Nomination Committee |
| 2. Mr. Suvarn Thansathit | Independent Director and Director of the Remuneration and Nomination Committee |
| 3. M.R. Supadis Diskul | Independent Director and Director of the Remuneration and Nomination Committee |

In case of an appointment of a new Board director, the Remuneration and Nomination Committee is responsible for a review of the Board of Directors' qualifications in order to define appropriate qualifications of a new Board director, who will strengthen the Board of Directors.

The Director of the Remuneration and Nomination Committee's Term of Office

The director of the Remuneration and Nomination Committee has a three-year term.

The Scope of Duties and Authority of the Remuneration and Nomination Committee

The scope of duties and authority of the Remuneration and Nomination Committee includes the following.

1. To ensure that the number and proportion, as well as the components of the Board of Directors are appropriate to the organization.

2. To select a suitable and qualified person to replace a Board member in case of his completing his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board of Directors for consideration and appointment, based on the case and in accordance with the Company's regulations.
3. To select a suitable and qualified person to supersede the Chief Executive Officer and the President in case of an expiry of their term, resignation or other reasons, besides nominating a new person for the Board's scrutiny and appointment.
4. To oversee and define policies on remuneration and other benefits of the Board of Directors, the Chief Executive Officer and the President that are appropriate to their duties and responsibilities.
5. To ensure that there is a plan for a succession to the position of the Chief Executive Officer and the President.

The Remuneration and Nomination Committee's Meeting

This is a specific-purpose meeting which is convened when necessary but shall be no less than once a year.

1.3 The Corporate Governance Committee

The Corporate Governance Committee (as at December 31, 2021) comprises 3 Board directors, and whose chairman and one of its members are independent directors, namely,

- | | |
|------------------------------|--|
| 1. Mrs. Nintira Sophonpanich | Independent Director and Chairman of the Corporate Governance Committee (Appointed as Chairman of the Corporate Governance Committee on August 13, 2021) |
| 2. Mr. Thongchai Ananthothai | Independent Director and Director of the Corporate Governance Committee (Appointed as director on April 23, 2021 and as director of the Corporate Governance Committee on August 13, 2021 Resigned as from January 25, 2022) |
| 3. Mr. Panus Thiravanitkul | Director and Director of the Corporate Governance Committee |

The Director of the Corporate Governance Committee's Term of Office

The director of the Corporate Governance Committee has a three-year term.

The Scope of Duties and Authority of the Corporate Governance Committee

The scope of duties and authority of the Corporate Governance Committee includes the following:

1. To consider, define and review in order to improve the Company's policy on good corporate governance so that it appropriately goes in accordance with the principles of good corporate governance.
2. To consider, define and review in order to improve the requirements concerning the morality of business performance and good practices of the Company's Board directors, executives and employees.
3. To follow up the consequence of a continuous and appropriate implementation of the Company's policy on good corporate governance and code of corporate conduct.
4. To make a report on the performance consequence to the Company's Board of Directors concerning the Company's good corporate governance policy, including giving an opinion on the practice guideline, and making a suggestion in order to modify or improve the policy based on appropriateness.

The Corporate Governance Committee's Meeting

This is a specific-purpose meeting which is convened when necessary but shall be no less than once a year.

1.4 The Risk Management Committee

The Risk Management Committee (as at December 31, 2021) comprises 5 members, who are a director and executives, namely,

Chairman

- | | |
|-----------------------------|---------------------------------------|
| 1. Dr. Apisit Anantanatarat | Chief Executive Officer and President |
|-----------------------------|---------------------------------------|

Vice-Chairman

- | | |
|-----------------------------|--------------------------|
| 2. Mr. Suphat Yookongbandhu | Executive Vice President |
|-----------------------------|--------------------------|

Members

- | | |
|-------------------------------|---|
| 3. Mr. Anon Vangvasu | The Management's Advisor |
| 4. Mrs. Srichittra Pramojaney | Executive Vice President (Retired on January 1, 2022) |
| 5. Mr. Sorat Vonganankij | Vice President of Actuarial Department |

Note: According to the Board of Directors Meeting No. 1/2565 held on February 25, 2022, passed a resolution appointing Mr. Suphachai Assawarakas, Senior Vice President, Accounting & Treasury Department, as a member of the Risk Management Committee, in replacement of the retired committee, effective on February 28, 2022 onwards.

Each member of the Risk Management Committee has sound knowledge and understanding of the Company's risks of business transactions.

The Director of the Risk Management Committee's Term of Office

The Risk Management Committee members shall hold office starting on the date of appointment until further notice.

The Scope of Duties and Authority of the Risk Management Committee

1. To define, consider and review the risk management framework, as well as risk management policy and scope so that they cover various types of principal risks which may have an impact on the Company's income, fund, reputation or existence, at least as defined by laws, including reviewing the Company's report on the overall risk management, and as assessment of financial risk and stability before presenting it to the Board for consideration for approval.
2. To oversee and support the Company's implementation of its risk management in line with its strategies and business transaction goals.
3. To evaluate the adequacy of the Company's risk management measures and risk management efficiency.
4. To arrange for a meeting in order to follow up the risk status, apart from the progress of risk management and the provision of recommendations for what has to be improved or modified so that they are in accordance with the organization's defined risk management framework and policy, strategies and acceptable risk level and report it to the Board for acknowledgement at least once every three months.
5. To support the performance and promote the generation of the organization's all-inclusive risk management culture so that all divisions are able to manage their risks and fulfill the organization's risk management goals.
6. To arrange for management plans and measures in case of risk of an emergency.

The Risk Management Committee's Meeting

A minimum of one meeting every three months.

1.5 The Investment Committee

The Investment Committee (as at December 31, 2021) comprises 5 members, who are directors and executives, namely,

Chairman

- | | |
|--------------------------|----------|
| 1. Mr. Chai Sophonpanich | Chairman |
|--------------------------|----------|

Members

- | | |
|-------------------------------|---|
| 2. Mr. Panus Thiravanitkul | Director and
Director of the Corporate
Governance Committee |
| 3. Dr. Apisit Anantanatarat | Chief Executive Officer
and President |
| 4. Mrs. Srichittra Pramojaney | Executive Vice President
(Retired on January 1, 2022) |

Member and Secretary

- | | |
|-----------------------------|--|
| 5. Mr. Ekamol Aungkavattana | Vice President
of Investment Department |
|-----------------------------|--|

Note: According to the Board of Directors Meeting No. 1/2565 held on February 25, 2022, passed a resolution appointing Mr. Suphachai Assawaraks, Senior Vice President, Accounting & Treasury Department, as a member of the Risk Management Committee, in replacement of the retired committee, effective on February 28, 2022 onwards.

Each member of the Investment Committee has knowledge, skills and experiences in investment management, risk management or stocks analysis, apart from defining the Company's investment policy and other business transaction policies as appropriate.

The Director of the Investment Committee's Term of Office

The Investment Committee members shall hold office starting on the date of appointment until further notice.

The Scope of Duties and Authority of the Investment Committee

1. To define an investment policy and other business transaction policies appropriate and flexible to changing situations, with consideration of risks and related laws, before presenting it to the Board for consideration for approval.
2. To consider and give approval for rules and orders and practice procedures of the Company's investment.
3. To consider for approval of investment in an amount of over Baht 500 million per investment, but not exceeding Baht 800 million. If it is over Baht 800 million per investment, it has to be presented to the Board for further consideration for approval.
4. To oversee the status of the Company's investment capital.
5. To verify and adjust the Company's investment policy to ensure its appropriateness to changing circumstances.
6. To have another duty to oversee other business transactions of which the duties, responsibilities and an investment amount to be approved are defined in the same manner as those of the Investment Committee.

The Investment Committee's Meeting

A minimum of one meeting every three months.

1.6 The Products Committee

The Products Committee (as at December 31, 2021) comprises 9 members, who are a director, executives, division heads or specialists equivalent to division heads, namely,

Chairman

- | | |
|-----------------------------|--|
| 1. Dr. Apisit Anantanatarat | Chief Executive Officer
and President |
|-----------------------------|--|

Members

- | | |
|-------------------------|---|
| 2. Mr. Yingyot Sangchai | Senior Vice President
of Motor Claims Department |
|-------------------------|---|

- | | | |
|------------------------------------|--|--|
| 3. Mr. Chaityot Soonhoa | Vice President of Non-Motor Claims Department | 6. To oversee and follow up the Company's performance to ensure its preparedness and efficiency in the product distribution. |
| 4. Mr. Tirathana Visetbhakdi | Vice President of Products Design Department | 7. To make a report on the product issuance data to the Company's Board of Directors, at least once every three months. |
| 5. Miss Umaporn Hualbuttar | Vice President of Compliance Office | |
| 6. Mrs. Natsaran Woraratpanya | Vice President of Investment Department | |
| 7. Mr. Kitisak Suriyaratapimol | Vice President of Personal Lines Business Unit | |
| 8. Mr. Thaveewong Chotemaneenophan | Assistant Vice President of Actuarial Department | |
| 9. Miss Patthamon Boonmee | Specialist of Legal Department
(Resigned as from November 15, 2021) | |

Note: According to the Board of Directors Meeting No. 1/2565 held on February 25, 2022, passed a resolution appointing Mr. Yutthachai Issavanich, Assistant Vice President of Law Department, as a member of the Products Committee, in replacement of the retired committee, effective on February 28, 2022 onwards.

Each member of the Products Committee has sound knowledge, skills and experiences in insurance products issuance, insurance products development, actuarial mathematics, investment, laws, compliance, risk management and work performance.

The Director of the Products Committee's Term of Office

The Product Committee members shall hold office starting on the date of appointment until further notice.

The Scope of Duties and Authority of the Products Committee

1. To define the product issuance framework and policy, through a combination of the Company's risks, strategies and funds, before presenting it to the Board for consideration for approval, including a consideration of the insurance principle, actuarial mathematics principle, related laws, as well as appropriateness and fairness to customers.
2. To oversee the Company's performance in relation to its product issuance to ensure that is in compliance with the vision, strategies, financial goals, and plans as defined by the Board of Directors.
3. To oversee the Company's practices to ensure that they are in accordance with related laws, rules and regulations, apart from overseeing and following up the insurance product issuance.
4. To oversee a fair treatment of the Company's customers.
5. To oversee to ensure that the personnel relating to products are prepared, in terms of both quality and quantity, in accordance with the business amount.

The Products Committee's Meeting

A minimum of one meeting every three months.

2. Committees Appointed by and Directly Reporting to the Management Committee

The Company's Management Committee has appointed 7 committees, which directly report to the Management, consisting of the Sustainable Development Committee, the Underwriting and Claims Committee, the Information Technology Committee, the Safety, Health and Environmental Committee, the Information Security Management Committee, the High Loss or Complicated Claims Committee and the Procurement on Building Management Committee. In this regard, the Management Committee members have been appointed to the 7 committees to help verify significant issues so as to enable the Company's performance and activities to be in compliance with the OIC's laws and regulations and be implemented efficiently. Each committee has the following components and scope of duties and authority.

2.1 The Sustainable Development Committee

comprises at least 7 executives from various business units, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To oversee and support the implementation of activities promoting the Company's sustainable culture, such as BKI Spirit (Cool, Agile, Friendly) and the culture "Your Caring Partner".
2. To oversee and support the implementation of CSR activities under the guideline of sustainable development, in cooperation with the Bangkok Insurance Foundation, in order to perform connectively and fulfill the Company's CSR goals.
3. To consider and encourage the Company's performance supporting its responsibilities to society and the environment.
4. To consider new activities or projects affecting the organization development to keep pace with the Company's alteration and sustainable growth.
5. To define the direction of formulating a plan to increase the performance efficiency and a plan for personnel development so that they are in compliance with the Company's strategic plan, besides providing suggestions on presenting a work plan of business units.
6. To consider presenting to have the Company nominate for awards organized by external agencies, and control them till the goal is accomplished.

2.2 The Underwriting and Claims Committee

comprises at least 3 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of underwriting and a consideration of each category of risks, including reinsurance, with the following scope of duties and authority.

1. To define the policies on underwriting, reinsurance and claims management appropriate and flexible to changing conditions, with a consideration of risks and related laws, before presenting them to the Management Committee.
2. To consider for approval of a guideline for defining premium rates.
3. To verify and adjust the policy on underwriting, reinsurance and claims management so that it is appropriate for changing circumstances.
4. To define a policy, business plan and strategy giving significance to creating and transferring, in writing, the culture of a fair treatment to customers, apart from communicating and transferring the culture of a fair treatment to customers to all departments and personnel relating to customer service provision, including policy presenters for sale in all of the Company's channels.
5. To consider for approval of rules and orders and practice procedures of the Company's underwriting, reinsurance and claims consideration.
6. To consider for approval of the scope of authority of underwriting and claims.

2.3 The Information Technology Committee

is composed of at least 5 executives, each having a two-year term and at least one meeting every three months, having knowledge, expertise and understanding of the information technology and work system, with the following scope of duties and authority.

1. To define the policy and strategy on the utilization of information technology in the work performance and support of the Company's strategy.
2. To consider for approval of the new work plans or projects relating to the use of information technology in support of the work performance.
3. To consider for approval of a budget relating to information technology and procurement of the information technology work in an amount not exceeding Baht 500 million per procurement. If it is over Baht 500 million per procurement, it has to be presented to the Board for further consideration for approval.
4. To follow up the success of the utilization of information technology in various projects or work plans.
5. To review the policy and strategy on the use of information technology in the work performance if they are not in accordance with the objectives.

2.4 The Safety, Health and Environmental Committee

consists of 13 members, including 1 representative of the employer, 6 representatives of the superior level, and 6 representatives of operational employees, each having a two-year term and at least one meeting every two months, with the following scope of duties and authority.

1. To make a survey, at least once a month, on safety, hygiene and working environment.
2. To make a report and suggestion to the employer on the measure or guideline for improvement so that it is in compliance with the law on work safety and/or work security standards, aimed at the safety for work performance of employees, contractors and outsiders who come in to work for or use the service of a manufacturing establishment.
3. To encourage and support activities on safety, hygiene and working environment of a manufacturing establishment.
4. To define safety regulations and work safety standards of a manufacturing establishment, and present them to the employer.
5. To formulate policies and annual work plans on projects or activities on safety, hygiene and working environment in order to prevent and reduce accidents, hazards or illness stemming from work, or work insecurity, and present them to the employer.
6. To carry out a project or plan on training related to safety, hygiene and working environment, apart from the training on roles, duties and responsibilities for a safety issue of employees, work chiefs, executives, employers and all levels of staff in order to present it to the employer.
7. To follow up the progress of the issue presented to the employer.
8. To report to the employer on the annual performance consequence, including problems, impediments and suggestions for the Committee's performance when the one-year duty performance period is due.
9. To perform other duties related to safety, hygiene and working environment, as assigned by the employer.
10. To carry out the effective 5s activity and practice it constantly.

2.5 The Information Security Management Committee

is composed of at least 3 executives, each having a two-year term and at least one meeting every two months, having knowledge, expertise and understanding of an information system within the organization, with the following scope of duties and authority.

1. To define the policy, objectives, structure and duties and responsibilities regarding information security.
2. To encourage the organization to give priority to the fulfillment of objectives of information security, practices in conformity with the policies and laws, including a necessity for a steady improvement and development of information security within the organization.
3. To support resources for the system establishment, utilization and management, inspection and review, maintenance, including an improvement of the information security management system.

2.6 The High Loss or Complicated Claims Committee

comprises at least 5 executives, each having a two-year term and at least one meeting every year, having authority on making judgment on a complaint filed to the Company, with those responsible from claims unit, underwriting unit, legal unit and compliance management unit, with the scope of duties and authority to scrutinize and make judgment on complicated issues or ones having high damages of Baht 50 million and over. A complaint consideration has to be completed within 30 days, starting from the date the complaint is filed or additional documents are provided (if any).

2.7 The Procurement on Building Management Committee

comprises at least 3 executives, each having a two-year term and at least one meeting every three months, with the following scope of duties and authority.

1. To define the policy and strategy on the overall procurement on the building management, including a review of the policy so that it fulfills the Company's goals.
2. To consider for approval, in principle, the work plans and projects, including the budget concerned with the building management, besides following up the success of those work plans and projects.
3. To consider for approval, in due time, of general expenses and those for specific or routine work/projects, in an amount of over Baht 500,000.
4. To consider for approval of the determination of the rent of office buildings and the investment relating to the rented buildings.

3. Data on the Management

3.1 Name and Position of the Chief Executive Officer and the First Four Executive Members Following the Chief Executive Office

The Management Committee consists of executive directors and senior executives appointed by the Company's Chief Executive Officer. The Management is authorized by the Board's resolution to act on behalf of the Company in its daily missions and other general missions relating to the Company's business transactions, which is aimed at alleviating the Board's missions, apart from the flexibility of the performance of any of the Company's work, to achieve the targets and goals defined, prior to reporting to the Board for acknowledgement. Nevertheless, an exercise of such authority of the Management Committee is infeasible if it is a stakeholder or has conflicts of interest, in any form, with the Company.

For any performance relating to the Company's internal affairs, for instance, an issuance of circular letters, the determination of rules, regulations, orders and any other proclamations, the Company's Chief Executive Officer or President will be authorized to sign them, using the same practice procedure as those of other private companies of similar business, while also considering the Company's benefit as principal.

Name of the Management Committee

The term "The Company's Management Committee", as defined in the Office of Securities and Exchange Commission's notices, includes the first four executive members following the manager. In compliance with the Company's organizational structure, the Company's Management Committee is made up of the first four executive members following the Chief Executive Officer. The Management Committee (as at December 31, 2021) is comprised of 12 executive members whose names are listed below.

Name and Position of the Management Committee

- | | |
|-----------------------------------|---|
| 1. Dr. Apisit Anantanarat | Chief Executive Officer and President |
| 2. Mr. Suphat Yookongbandhu | Executive Vice President* |
| 3. Mrs. Srichitra Pramojaney | Executive Vice President* and the Company Secretary** (The Company's chief financial officer and accountant Retired on January 1, 2022) |
| 4. Mr. Jakkrit Chewanuntapornchai | Executive Vice President* |
| 5. Miss Paveena Juchuan | Executive Vice President* |
| 6. Mr. Chawan Sophonpanich | Executive Vice President* |
| 7. Miss Lasa Sophonpanich | Senior Vice President |
| 8. M.L. Chalitpong Sanidvong | Senior Vice President |
| 9. Mr. Pitiphong Chaochaikhong | Senior Vice President (Resigned as from March 1, 2022) |
| 10. Mr. Yingyot Sangchai | Senior Vice President |
| 11. Mr. Theerayut Kitvoraphat | Senior Vice President |
| 12. Mr. Suphachai Assawaraks | Senior Vice President* (Appointed on July 1, 2021 Appointed as The Company's chief financial officer and accountant on January 1, 2022) |

* The first four executive members following the manager, and all those having a position equivalent to the fourth member, including a position in the accounting or treasury business line which is at the department level and manager over, or equivalent.

** Retired from the executive vice president position but still assuming the Company secretary position.

The Scope of Duties and Authority of Management Committee

1. To verify, before presenting to the Board of Directors for consideration, the Company's vision, strategies, business goals, and annual budgets.
2. To take charge of business transactions in compliance with strategies, business policies, risk management framework, and an acceptable level of risk, as approved by the Board of Directors, with a consideration of long-term value generation and sustainable business transactions.

3. To verify, before presenting to the Board of Directors for consideration, the procurement or disposal of the Company's major assets.
4. Promote, support and provide for the Company's efficient risk management and internal control system, including following up a performance in accurate compliance with related laws, and fair treatment of the insured.
5. To ensure that the Company has an implementation based on its policy on corporate governance, as well as an evaluation of its consequences, including suggestions for the Corporate Governance Committee's consideration.
6. To report, to the Board of Directors, on accurate, sufficient and updated significant data on the Company's operating performance, risk level and management's performance so that the Board can efficiently oversee and follow up their performance consequences.
7. To clearly define the Company's line of command, as well as each department's duties and responsibilities in support of efficient risk management, supervision, control and audit.
8. To ensure that the Company has its risk management culture by overseeing that it has a risk appetite, apart from communicating with and providing knowledge to all the Company's employees regarding its risk management framework and risk management policy.
9. To provide for the management's annual performance evaluation by comparing it with the target the Board of Directors has defined, besides reporting an evaluation consequence to the Board.
10. Shall not work full-time for other organizations, except that the Board of Directors has considered that a management committee member's working full-time for other organizations does not influence his/her efficient performance for the Company.
11. To take charge of and ensure that the Company's overall risk management report and assessment of its risks and financial standing are accurate, precise, complete and in conformity with the laws defined.
12. To conduct any duties assigned to them by the Board of Directors.

3.2 Policy on the Payment of Remuneration for Directors and Management

The Company fully realizes the significance of good corporate governance based on transparency, accuracy and fairness, generating the greatest benefit for all parties of stakeholders and sustainably creating the long-term value for the Company, and has thus proclaimed a policy on the payment of remuneration and other benefits for Board directors, senior executives and employees, based on an appropriate and fair basis and reflecting their duties and responsibilities, with consideration of the Company's long-term security.

3.3 Total Remuneration for the Company's Executive Directors and Management

In 2021, the Company paid the Board's attendance fee to the Board directors, totaling Baht 14,550,000. The payment procedure has to go through a consideration of the Remuneration and Nomination Committee, while the annual remuneration amount, which does not exceed Baht 16.0 million, has been approved by shareholders' meeting. Details of remuneration criteria are given below.

The Board of Directors	The Board's Attendance Fee (Baht/Person/Time)
Chairman of the Board of Directors	500,000
The Board Directors	250,000
The Audit Committee	100,000
The Remuneration and Nomination Committee	100,000
The Corporate Governance Committee	100,000

In this connection, the Company's Board of Directors had considered and compared assets, net income and remuneration of directors of other listed companies of similar industry or approximate size and operating returns, and had subsequently approved of a proposal for shareholders' consideration for approval of remuneration for the Board, which were approved by shareholders' 28th general meeting, through electronic media (E-AGM), on April 23, 2021.

4. Employee Data

Total Employees

As at December 31, 2021, the Company had a total of 1,562 employees, comprising 1,158 employees working on the Company's core business lines, and 404 employees working on supporting business lines.

The number of employees working on each core business line is listed below.

Business Unit	Number of Employees (Person)
Agent Business Unit	81
Broker Business Unit	81
Commercial Lines Business Unit	82
Financial Institution Business Unit	83
Personal Lines Business	73
Branch Network and Ventures	304
Treaty Operations Office	11
Risk Assessment Office	20
Non-Motors Claims Department	63
Motor Claims Department	360
Total	1,158

Reason/policy in case of a significant change in the number of employees over the past three years

- None -

Total Remuneration and Characteristic of Remuneration for Employees

In 2021, the Company's employees were paid a total remuneration of Baht 1,420,868,713 consisting of salary, bonus, employer's contributions to the social security fund, overtime, provident funds and severance pay upon retirement. The paid remuneration was taken into consideration based on such factors as the insurance premium's growth, the Company's income, the country's economic condition, the cost of living, and the individual employee performance's assessment, the consequences of which have been defined to be in conformity with the Company's goals, through a performance measurement tool called Performance Fact Sheet comprising of key performance indicators (KPIs), projects and assignments.

5. Other Significant Data

5.1 The Company's chief financial officer (CFO)

The Company had assigned Mrs. Srichittra Pramojaney, currently the Company Secretary, to be its chief financial officer (CFO) effective from January 16, 2006 - December 31, 2021 (Retired on January 1, 2022). Later, the Company assigned Mr. Suphachai Assawarak, currently Senior Vice President, Accounting & Treasury Department, to be its Chief Financial Officer (CFO) effective on January 1, 2022 onwards.

5.2 The Company's chief accountant

The Company had assigned Mrs. Srichittra Pramojaney, currently Executive Vice President, to be its Chief Accountant, effective from January 16, 2006 - June 15, 2020 (Retired on January 1, 2022). Later, the Company assigned Mr. Suphachai Assawarak to be its Chief Accountant, effective on June 16, 2020 onwards.

5.3 The Company Secretary

The Company's Board of Directors' meeting (No. 2/2015) held on May 15, 2015, passed a resolution appointing Mrs. Srichittra Pramojaney, who is currently the Company Secretary, effective from June 1, 2015, in order to oversee, coordinate and facilitate the Board's meeting and shareholders' meeting so that they are in compliance with the laws, rules and regulations concerned. The Company Secretary is a qualified person besides having comprehensive knowledge and capability to perform his or her duty and assume the position. The Company has defined its secretary qualifications and scope of duties and authority as the following:

The Qualification of Company Secretary

1. Have comprehensive knowledge and understanding of the Company's business, including roles and duties related to the work of the Company secretary, for instance, duties of the Board and the Company, as well as possess sound knowledge of related laws and regulations, including the continuous pursuit of knowledge and follow-up of data and information for the development of work implementation.
2. Perform duties in accordance with laws, rules and the

Company's regulations, with responsibility, caution, integrity and determination, including lending support for the Company's operation, based on the Company's principles of good corporate governance and code of ethics, so that the Company may fulfill its goals.

3. Strictly adhere to virtue and morality, as well as take into account all groups of stakeholders, while not acting in a way that will cause damage to the Company's reputation and good image.
4. Not aim at self-interest out of the Company's business opportunities, and well maintain the Company's secrecy.
5. Have good human relations and an ability to coordinate with other departments and sections both inside and outside the Company.

The Scope of Duties and Authority of the Company Secretary

1. Provide preliminary suggestions on the Company's laws and orders to the Board of Directors and follow up to ensure that they are implemented accurately and steadily, including making a report to the Board on a significant change in those laws and orders.
2. Hold a meeting of the Company's shareholders or Board in

accordance with the laws and the Company's regulations and requirements.

3. Record shareholders' and the Board's meeting reports, including following up to ensure that their meetings' resolutions are implemented accordingly.
4. Prepare and maintain the Board's registration, the Company's annual report, as well as shareholders' and the Board's meeting invitation letters and meeting reports.
5. Keep a report on stakeholding as reported by the Company's Board or management, including making a copy and submitting it, within 7 working days starting from the day the report is received, to the chairman of the Board and the chairman of the Audit Committee for acknowledgement.
6. To ensure that there is disclosure of related data and an information report to agencies supervising the Company, based on the government's orders and requirements.
7. Get in touch and communicate with general shareholders so that they are informed of their rights and the Company's information.
8. Oversee the Company's Board of Directors' activities.
9. Carry out other activities defined by the Capital Market Commission.

5.4 Head of Internal Audit Office

Mr. Vichien Moleewon

Department Internal Audit Office

Position First Vice President

Education B.B.A., Ramkhamhaeng University

Work Experience

- First Vice President, Internal Audit Office, Bangkok Insurance Public Co., Ltd. (Jan 1, 2016 - present)
- Vice President, Internal Audit Office, Bangkok Insurance Public Co., Ltd. (May - Dec 2015)
- Vice President, Compliance Office, Bangkok Insurance Public Co., Ltd. (2014 - May 2015)
- Head of Compliance and Enterprise Risk Management, Bangkok Insurance Public Co., Ltd. (2007 - 2014)

Training

- Anti-Corruption: The Practical Guide
- Integrated Risk Management & Strategy
- Investment Strategy for Insurance Business
- GRC: Governance Risk Compliance

5.5 Head of Corporate Compliance Management Office

Miss Umaporn Hualbuttar

Department Corporate Compliance Management Office

Position Vice President

Education B.Ac., Chulalongkorn University

M.P.P.M., National Institute of Development Administration

Certificate of Computer English Program, Sukhothai Thammathirat University

Certified Professional Internal Auditor (CPIA)

Work Experience

- Vice President, Compliance Office, Bangkok Insurance Public Co., Ltd. (2015 - present)
- Vice President, Organization Risk Management, Bangkok Insurance Public Co., Ltd. (2015 - present)
- Vice President, Operations Audit, Bangkok Insurance Public Co., Ltd. (2014 - 2015)

Training

- Head of Operations Audit, Bangkok Insurance Public Co., Ltd. (2007 - 2014)
- Assistant Vice President, Internal Audit Department, Bangkok Insurance Public Co., Ltd. (2004 - 2006)
- Governance as a Driving Force for Business Sustainability
- Risk Oversight: High Priority of the Board
- KPI, KRI and KCI and Risk Management
- Risk & Capital Management
- Organization Risk Management
- Anti-Money Laundering and Anti-Financial Support of Terrorism for Concerned Officials

5.6 Head of Investor Relations Office

The Company has assigned Mr. Anek Keereesathien, currently acting senior vice president of legal department and first vice president of the Company secretary office, to be responsible for acting as an investor relations officer, who may be contacted at the Bangkok Insurance Building, 25 Sathon Tai Road, Bangkok 10120, or an email address ir@bangkokinsurance.com or phone number Tel. 0 2285 7320.

Mr. Anek Keereesathien

Department/Office

Company Secretary Office

Position

First Vice President, Company Secretary Office

Acting Senior Vice President, Legal Department

Education

Master of Laws (Business laws), Thammasat University

Bachelor of Laws, Thammasat University

Experiences

Bangkok Insurance Public Company Limited

Acting Senior Vice President, Legal Department (January 1, 2020 - Present)

First Vice President, Company Secretary Office (May 1, 2017 - Present)

Assistant Vice President, Legal Department (June 1, 2005 - May 31, 2012)

The Stock Exchange of Thailand (July 1, 2013 - 30 April, 2017)

Deputy Vice President, Legal Department

Training

The Thai Institute of Directors (IOD)

- Corporate Secretary Program (CSP) Class 44/2012
- Effective Minute Taking Program (EMT) Class 42/2018
- Board Reporting Program (BRP) Class 27/2018
- Company Reporting Program (CRP) Class 22/2018

Thai Listed Companies Association

- Professional Development Program for Company Secretary Course 1/2021
- Fundamental Practice for Corporate Secretary Program (FPCS) Class 18/2008
- Thailand Investor Relation Club (TIRC)
- IR Fundamental Course 1/2018

Faculty of Laws, Ramkhamhaeng University

- Advanced Corporate, Banking and Financial Services Law Program (ABFL) Class 2/2016

6. Remuneration for the Auditor

In 2021, the Company paid remuneration to its auditor as follows:

1. Remuneration for audit of annual financial statements and review of quarterly financial statement	2,210,000 Baht
2. Remuneration for review of a Risk-Based Capital (RBC) report for 2021 and audit in accordance with a jointly agreed method of the second quarterly RBC report for 2021	640,000 Baht
3. Other service expenses	- Baht
Total	2,850,000 Baht

REPORT OF THE COMPANY'S SIGNIFICANT PERFORMANCE ON GOOD CORPORATE GOVERNANCE

1. Summary of Board of Directors' Duty Performance for the Year 2021

1.1 The Nomination and Appointment of Senior Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to take care of the issue of the proportion, number and components of the Board of Directors, as well as to nominate a qualified person, with sound knowledge and proficiency, to supersede a director, Chief Executive Officer or President in case of the expiry of his term, resignation or other reasons, apart from nominating a new Board member to shareholders or the Board for consideration and appointment, based on the case and in accordance with the Remuneration and Nomination Committee's duties and authority specified in "The Remuneration and Nomination Committee" section. In this connection, appropriate qualifications and nomination procedures for a selection of a new Board director and senior executive, including minor shareholders' rights to appoint Board directors, are defined as follows:

1. Qualifications and Procedure for Nominations of the Board Directors and Independent Directors

1.1 Qualifications of Directors

The Company's Board directors, without regard to their gender, possess comprehensive knowledge, experience and specific capability to perform their duties. Besides, they have a good understanding of their responsibilities and the characteristic of the Company's business transactions, including having readiness to independently express their opinions on decision-making on any issue, with a consideration of the Company's greatest benefit and fair treatment of each group of stakeholders. Similarly, the Board directors, in their capacity as director, can fully devote their time and effort to the Company.

1.1.1 Qualifications of Independent Directors

Apart from having sound qualifications of the Company's Board directors, independent directors must possess the following additional qualifications.

1. Have no more than 0.5 percent of all the eligible votes in the Company, corporations, affiliated companies, associated companies, or any party having authority to control. This includes shares held by a particular independent director's party concerned.

2. Are not or did not use to be directors having something to do with the Company's administration, nor are they its employees, staff, advisers with a regular salary, nor do they have authority to control in the Company, corporations, affiliated companies, associated companies, affiliated companies in the same order, major shareholders or any party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment. Nonetheless, such prohibited attributes do not include the case of independent directors having been government officials or the government sector's advisers who are major shareholders or have authority to control.
3. Are not persons having blood line relationship or through a registration in the manner of father, mother, spouse, brother, sister and offspring, including spouse of other directors' offspring's, executives, major shareholders, any party having authority to control, or person who will be nominated a director, the management or party having authority to control the Company or affiliated companies.
4. Have no or did not use to have business relationship, through which the value ranges from 3 percent of all net assets or from Baht 20 million and over, depending on which is the less amount, with the Company, corporations, affiliated companies, associated companies, major shareholders or any party having authority to control, in the manner that may prevent the use of sound discretion. Neither are they nor used to be major shareholders or the party, who has authority to control, of those having business relation with the Company, corporations, affiliated companies, associated companies, major shareholders or the party having authority to control except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.
5. Are not or did not use to be the auditor of the Company, corporations, affiliated companies, associated companies, major shareholders or the party having authority to control. Nor are they major shareholders, the party having authority to control or partner of the auditing office to which the auditors of the Company, corporations, affiliated companies, associated companies, major shareholders, or the party having authority to control belong, except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.

6. Are not or did not use to be providers of any professional services, for example, legal advisers, financial advisers, asset evaluators, etc. who derived a service fee of over Baht 2 million per year from the Company, corporations, affiliated companies, associated companies, major shareholders, or the party having authority to control. Nor are they major shareholders, the party having authority to control, or partner of those professional service providers except that they have extricated themselves from those responsibilities for no less than two years prior to an appointment.
 7. Are not directors appointed to become representatives of the boards of major shareholding companies or shareholders related to the Company's major shareholders.
 8. Do not have the same business transaction as, and a significant competition with the Company's or affiliated companies' business. Neither are they other companies' partner owning significant partnership, nor directors taking part in their administration, nor their employees, staff and advisers with a regular salary, nor have 1 percent of all the eligible votes in other companies having the same business transaction as, and a significant competition with the Company or affiliated companies.
 9. Possess no other property that prevents them from independently expressing their opinions.
1. The Board of Directors shall comprise at least 5 directors, and no less than half shall reside within the Kingdom.
 2. No less than three-fourths of the directors must be of Thai nationality.
 3. The directors shall be elected at the shareholders' meeting. Each shareholder shall have a number of votes equal to the number of shares held. Decisions shall be made by a majority vote. In the event of a tied vote, the chairman of the meeting shall have the casting vote.
 4. At every annual general meeting, one-third of the directors shall retire. Directors who vacate office may be re-elected.
 5. The shareholders' meeting may pass a resolution removing any director from office, prior to retirement, by reason of the expiration of the director's term of office, by a vote of not less than three-fourths of the number of shareholders attending the meeting, who have the right to vote and who hold shares totaling not less than half the number of shares held by shareholders attending the meeting and having the right to vote.

For an appointment of a new director of the Board superseding a director who quits the job for a reason other than his/her term is due, it has to be approved by the Board's meeting, with the votes of no less than three-fourths of the remaining Board directors. A new Board director appointed has a term equal to the remaining term of the director leaving his/her position.

1.1.2 Qualifications of the Audit Committee Members

The Audit Committee members shall have the following qualifications:

1. Have all the qualifications of independent directors.
2. Are not directors assigned by the Company's Board of Directors to make decisions on the operation of the Company, corporations, affiliated companies, associated companies, affiliated companies in the same order, the Company's major shareholders or party having authority to control.
3. Are not directors of corporations, affiliated companies, or affiliated companies in the same order, particularly those listed in the SET.
4. A minimum of one Audit Committee member has knowledge and experience sufficient to verify the Company's financial statements' reliability.
5. Be able to sufficiently devote their time and express opinions in the performance of their work as the Audit Committee directors.

1.2 Procedure for Directors and Independent Directors Nomination

To appoint a new director of the Board replacing a director whose term is due, the Remuneration and Nomination Committee will nominate the qualified person to the Company's Board for consideration before proposing to the shareholders' general meeting for appointment approval. However, this has to be endorsed by the majority of shareholders at the meeting. The following are the criteria for the appointment of directors, as defined in the Company's rules and regulations:

Minor Shareholders' Rights to Appoint Directors

To protect minor shareholders' rights, with an aim to have all shareholders treated equally, the Company has provided an opportunity for all of them to nominate a new Board director who is of high proficiency and appropriate for an appointment as a Board member. This is carried out in advance from October 1 to December 31 of each year. In this regard, the Company has notified its shareholders through the SET's information report channel and the Company's website at www.bangkokinsurance.com. Similarly, the criteria for nomination of a new Board director are defined in advance, along with the nomination form, and also displayed on the website.

2. Qualifications and Procedure for the Management Nomination

2.1 The Qualification of Chief Executive Officer

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to be responsible for nominating a new Chief Executive Officer in case of a vacant post, by defining the qualification of the Chief Executive Officer as a person having knowledge, capability, experience in the non-life insurance industry, apart from having leadership, expertise, a transparent working record and being able to perform his duty and operate the Company's business so as to achieve the goals and objectives defined.

2.2 Criteria and Procedure for the Chief Executive Officer Nomination

The Company's Board of Directors has defined the procedure for the nomination and appointment of the Chief Executive Officer as the following:

1. The Remuneration and Nomination Committee considers the nomination of the Chief Executive Officer in compliance with the qualifications defined.
2. The Remuneration and Nomination Committee proposes the Chief Executive Officer's record and qualifications to the Company's Board of Directors for consideration for approval.
3. The Company's Board of Directors considers approving an appointment of the Chief Executive Officer.

In addition, the Chief Executive Officer is authorized by the Board to make a consideration and appointment of a person of high proficiency, knowledge and experience in the non-life insurance industry as the Company's top management in order to perform his/her duties and operate the Company's business to fulfill the goals and objectives defined. The nomination procedure is based on the Company's regulations on its human resources management, and subsequently reported to the Board for acknowledgement.

Data on Transaction Related to Business Relations or Provision of Occupational Services between Independent Directors and Companies, Affiliated Companies, Associated Companies or a Party that May Have Conflicts

Through the effective procedure of the Board directors' nomination, the Company's independent directors are appropriately qualified and truly independent. Furthermore, they do not occupy the position of independent directors or members of corporations, affiliated companies or affiliated companies in the same order.

In addition, the Company has no commercial agreements or transactions related to business relations or provision of occupational services between the Company and its Board directors, independent directors, management, including corporations, affiliated companies, associated companies or any party that may have conflicts, which has a value exceeding that defined by the Securities and Exchange Commission (SEC).

Nonetheless, the Board of Directors' meeting (No.3/2008) held on August 14, 2008, had approved in principle, the permission for companies, associated companies and affiliated companies to do business which may have a related transaction with the Company's Board of Directors, management or any party concerned, both the transaction that was made earlier and/or one that will be made in the future. This is based on the condition that such a business transaction has commercial agreements in

the same way as a reasonable man will treat a general party to a contract in the same situation, through the commercial bargaining power without the influence of his/her status as the Company's Board director, management or any party concerned. Please see more details in the section "Related Parties Transactions".

The Company's Board of Directors' Requirements on a Succession Plan and Development of Executives

The Company's Board of Directors has assigned the Remuneration and Nomination Committee to be responsible for selecting a qualified person appropriate for assuming the position of the Chief Executive Officer and the President, by nominating an insider first or an outsider in case of necessity, including taking charge of formulating a plan for a succession by reducing the risk or impact of a lack of successors as much as possible. Consequently, there has to be a plan for steadily developing successors in order to be prepared for the qualifications for a succession to a higher position via the following policy.

1. The Remuneration and Nomination Committee gives a policy on selecting the qualifications of a successor of the Chief Executive Officer and the President to the Chief Executive Officer for consideration and implementation.
2. The Chief Executive Officer defines the qualifications, knowledge, capability and competency of a successor of the Chief Executive Officer, the President, including the senior executives of departments, based on the organization structure.
3. The President has a duty on making an assessment of the knowledge, ability and consequence of performance according to competency of departments' senior executives, apart from formulating an individual development plan in accordance with the principle of personnel development, through controlling and overseeing to ensure that there is complete development in compliance with the plan defined, and making an evaluation of the development progress by providing a concrete feedback.
4. The Chief Executive Officer reports the consequence of development of executives who are successors of the Chief Executive Officer and the President to the Remuneration and Nomination Committee every time there is an annual meeting of the Remuneration and Nomination Committee. The report will be presented to the Company's Board of Directors at its annual meeting.

Appointment of Executives

The Company's Board has assigned the Remuneration and Nomination Committee to consider an appointment of the Chief Executive Officer and the President and to propose for approval to the Board at its annual meeting, while the Board will subsequently propose for approval to the shareholders' annual general meeting.

For an appointment of head of departments based on the organization structure, it is the duty of the Company's Chief Executive Officer and/or President to make a selection and appointment later.

Evaluation of Chief Executive Officer's and Top Management's Work Performance

The Company has provided for an annual evaluation of the Chief Executive Officer's and top management's work performance through the consideration criteria consisting of the performance consequence factor connecting with key performance indicators (KPIs), business development capability, performance efficiency improvement and development of staff under supervision, aimed at generating the Company's sustainability. In this regard, the Remuneration and Nomination Committee will consider and define the Chief Executive Officer's and top management's remuneration and subsequently propose it to the Company's Board for consideration for approval.

1.2 The Overseeing of Operating Performance of Affiliated Companies and Associated Companies

The Company has conducted its business transaction with only 3 associated companies, of which the names appear in section 1.3 "Shareholdings Structure of Group of Companies". The Company's Board of Directors has a mechanism for overseeing the operating performance of associated companies, aimed at taking care of and preserving the interests of the Company's investment fund, as the following:

- 1) Appoint directors or executives as the Company's representatives to assume the position of the associated companies' board directors, based on the proportion of shareholdings.
- 2) Define the scope of duty and responsibility of those appointed as associated companies' board directors, which is responsible for the companies' policy, supports and gives advice concerning underwriting, claims, a technological system and accounting and finance, apart from having to get approval from the Company's Board prior to making a resolution on a significant issue, at the same level as that which has to derive approval from its Board before carrying out such transactions.
- 3) Oversee the disclosure of data on the financial standing and operating performance consequences, including doing significant transactions accurately and in compliance with the Company's criteria.

1.3 The Follow-up to Ensure the Performance Based on the Policy of and Practice Guideline for Good Corporate Governance

The Company has given priority to its good corporate governance since it is a significant mechanism leading to possessing a management system which is efficient, transparent and verifiable,

helping to generate confidence and trust among shareholders, investors, stakeholders and all related parties. The good corporate governance will be an instrument which adds values, as well as creates competitiveness and long-term sustainable growth. The Company has followed up to ensure the performance in compliance with the policy of and practice guideline for good corporate governance as the following:

1. The Performance Based on the Policy of Good Corporate Governance

1.1 The Board of Directors' Responsibilities

The Company's Board fully realizes its roles and responsibilities as the shareholders' representative and the organization's leader, responsible for making decisions on the Company's significant policies and strategies, and taking part in overseeing to ensure the Company's sound management and implementation of the policies and strategies defined. To fulfill the Company's goal and greatest benefit, the Board has implemented the principles of good corporate governance as the following:

- **The Board of Directors' Roles, Duties and Responsibilities**

The Company's Board of Directors has a role in overseeing the Company's administration to ensure that the Company's management performs in conformity with the policy approved and is determined to make a sustainable long-term profit for shareholders' and all groups of stakeholders' benefit. In 2021, the Board had implemented the following issues.

- (1) Annually review, improve and approve of the Company's vision, missions and strategies, aimed at increasing the Company's greatest value and shareholders' security.
- (2) Give approval to policies proposed and approve of an amount of money based on the Board's scope of authority.
- (3) Follow up the management's performance consequence and oversee its efficient and effective implementation of the strategies and policy guidelines defined. The management will report on its performance consequence and the Company's operating returns every three months at the Board's meeting.
- (4) Occasionally play a role in giving approval to the performance guidelines of the various sub-committees, such as the Audit Committee, the Remuneration and Nomination Committee, the Corporate Governance Committee, and the Risk Management Committee.

Exercise of authority in the performance of the Company's Board will strictly and honestly comply with laws, regulations and shareholders' meeting resolutions based on sound morality and rule of conduct. This is to ensure that the Management's performance will ultimately fulfill the Company's goals and generate the utmost benefits for shareholders.

- **Controlling System, Internal Audit and Risk Management**

Observing the important internal controls at both the managerial and operational levels, the Company's Board of Directors has set out the responsibilities of executives and employees in writing, and also requires that the executives assess the adequacy of internal controls at least once a year. Furthermore, the Company also possesses work units taking charge of auditing and evaluating all departments' performance so that it is in compliance with practice procedures, laws and orders, including all sections' risk management as the following:

The Internal Audit Office, which reports directly to the Audit Committee, is in charge of auditing all sections' performance, apart from the accuracy and reliability of the Company's accounting data and financial statements so that their performance is in accordance with the Company's policy, declarations, rules and regulations, and laws, besides monitoring the accuracy and appropriateness of its work system and information control system so as to assess the efficiency and security of the work system, including following up and evaluating the Company's overall risk management efficiency.

The Corporate Compliance Management Office, which reports directly to the Audit Committee, takes charge of the determination of a guideline for all departments' performance in compliance with laws, an assessment of the appropriateness of the Company's performance approach, including following up immediately when any deficiency or inappropriateness is detected, besides making an analysis and study on the problem, providing advice on laws, regulations, requirements and practices to ensure all departments' performance is in conformity with laws, and steadily overseeing and following up the matter.

Corporate Risk Management Division, which reports directly to the Executive Vice President, is in charge of defining the strategy and guideline for the Company's risk management operation, along with the Risk Management Committee, determining the framework and guideline for risk management, apart from establishing KPIs together with other departments and giving suggestions and recommending steps of risk management operations to all of the Company's departments.

Additionally, the Company's Board of Directors has assigned the Risk Management Committee to be responsible for defining the framework of risk management, the policy on risk management and the policy on information technology risk management, while a framework and policy on risk management will be annually presented to the Board for consideration for approval. Similarly, the Risk Management Committee will follow up the Company's risks so that they are at an acceptable level, including reviewing the sufficiency and efficiency of the Company's

performance in line with its policy and procedure on risk management, and communicating with concerned staff for their acknowledgement. The report on risk management consequence to the Board of Directors has to be made at least once every three months.

In 2021, the Risk Management Committee had reviewed the framework of risk management and the policy on risk management and presented them to the Board for consideration for approval on February 19, 2021, and submitted it to the Office of Insurance Commission (OIC) on March 17, 2021, apart from formulating a policy on information technology risk management.

- **The Board of Directors' Meeting**

1. **The Meeting Schedule** The Company's Board of Directors will meet a minimum of once every three months. Nonetheless, there may be an additional extraordinary meeting as the Board thinks appropriate. Each Board member will be informed of the Board's meeting schedule in advance in the fourth quarterly meeting of each year so that he/she may set aside time for the meeting. In 2021, the Board of Directors' meeting proceeded according to the schedule planned, resulting in the Board members' average meeting attendance of over 80 percent of all the Board's plenary meetings.

2. **The Consideration of Meeting Agenda Determination** To define the meeting agenda, the Company secretary will compile significant issues to be put on the agenda and propose to the Company's Chairman of the Board of Directors for approval, and then arrange them as the meeting agenda, including other relevant documents to be scrutinized for each agenda. Each Board member is allowed to propose an issue to be inserted on the agenda through the Company secretary.

3. **The Delivery of Meeting Documents** For the delivery of the Board's meeting documents, the Company secretary will send out meeting invitation letters, including an agenda and other relevant documents, no less than 7 days prior to the date of the meeting, to all the Board members to ensure that they have sufficient time to scrutinize the data before the meeting. In 2021, meeting invitation letters and other relevant documents were submitted to each Board member in time for all meetings.

4. **The Meeting Procedure** For each meeting, the Chairman of the Board of Directors allows each director to comment and ask questions about business performance, risk management, internal control systems, and all other matters without prescribed time limit. In consideration of agenda, directors who are stakeholders in any item on the agenda have no right to vote and are not allowed to be at the meeting for that agenda. The Board secretary will report on the minutes of the meeting and the meeting's resolution for the Board's

approval at the next meeting. In addition, for each meeting, a meeting report will also be systematically kept by the secretary as a convenient reference or for examination by the Board and other related people.

5. **The Invitation of Executives for Meeting Attendance** In 2021, for each of the Board of Directors' meetings, senior executives, namely, Director and Chief Executive Officer, and Executive Vice President of Accounting and Treasury Department, would attend the meeting in order to answer the Board directors' questions and doubts.
6. **Information Access** For access to information, since the Board of Directors' meeting is not convened every month, the report on the Company's performance is presented to each Board director each month, starting from April 2007 onwards. This is aimed at allowing the Board to continuously oversee and control the Company's management's performance. Besides, the Board may ask the Company's Chief Executive Officer or secretary for additional explanations and examination of relevant documents.
7. **The Meeting of Non-Executive Directors** For the meeting of non-executive directors, in 2006, the Board approved a policy encouraging its non-executive directors to convene a meeting among themselves, and assigned the Company secretary to facilitate such a meeting. Nonetheless, through 2021, apart from the meetings of the Audit Committee, the Remuneration and Nomination Committee, and the Corporate Governance Committee for an implementation of the missions assigned to them, the non-executive directors had never convened a meeting among themselves.

- **The Board of Directors' Responsibilities for Financial Statements**

The Company's Board of Directors is responsible for the accuracy of the Company's financial statements preparation, which should display details of its financial data sufficiently, transparently and correctly, while significant data is adequately and steadily disclosed

in notes of the financial statements in accordance with appropriate accounting standards. The Company's financial statements are audited by a public accountant, certified by the SEC and/or related agencies, as well as verified by the Audit Committee. The Company's Board has also prepared the report on its responsibilities for financial statements in the Company's annual report (Form 56-1 One Report).

- **Procedure on the Nomination and Determination of Remuneration for Directors and Management**

The Remuneration and Nomination Committee ensures that the proportion and number, as well as the components of the Board of Directors are appropriate to the organization, apart from considering and determining the Board directors' and management's remuneration proper and approximate to the amount paid to other listed companies' directors and management. In 2021, the Remuneration and Nomination Committee had considered the Board directors' remuneration based on the scope of their roles, responsibilities and the benefits to be derived from them and subsequently proposed it to the Company's Board for consideration for approval of the remuneration, before proposing it to the shareholders' general meeting for consideration for approval, besides making an assessment of the performance of the Company's head of department and senior executives and proposing it to the Board for consideration for approval of the remuneration.

- **Development of the Board of Directors and Executives**

The Company's Board of Directors has encouraged and supported directors, executives and other staff, relating to the Company's corporate governance system, to receive regular training with an aim to constantly improve their performance, apart from encouraging directors and executives to attend a training course concerning the Company's business transactions, aimed at enhancing their knowledge and supporting their efficient duty performance.

In 2021, the Company's Board directors had received development and training in the following courses.

Name/Position	Course	Institution
1. Miss Potjane Thanavarant Independent Director Director of the Audit Committee	<ul style="list-style-type: none"> - Director Leadership Certification Program (DLCP) (Class 0/2021) - Board Nomination and Compensation Program (BNCP) (Class 11/2021) - Risk Management Program for Corporate Leaders (RCL) (Class 25/2021) 	<ul style="list-style-type: none"> - Thai Institute of Directors Association (IOD) - Thai Institute of Directors Association (IOD) - Thai Institute of Directors Association (IOD)
2. Dr. Apisit Anantanarat Director and Chief Executive Officer	<ul style="list-style-type: none"> - Workshop Seminar on Cyber Resilience Leadership: Herd Immunity for the Financial Sector's Organization's Directors for 2021 	<ul style="list-style-type: none"> - Office of Insurance Commission

For 2021, the Company had a new Board director, who was Mr. Thongchai Ananthothai, an independent director and director of the Corporate Governance Committee, for which the Company secretary had arranged for his orientation based on the policy defined.

- **Evaluation of the Board of Directors' Duty Performance**

The Company's Board of Directors has realized the significance of creating an effective Board and has arranged for an annual evaluation of the Board's duty performance so that the evaluation consequence will be subsequently used to improve and develop the Board's duty performance. The Board's evaluation consists of 3 parts as the following:

- (1) An evaluation of the entire Board's work performance: to be used to evaluate the Board of Directors' overall duty performance.
- (2) An evaluation of an individual Board director's work performance: to be used for a self-evaluation of a Board director's duty performance.
- (3) An evaluation of a sub-committee's work performance: to be used to evaluate the overall duty performance of the Audit Committee, the Corporate Governance Committee, and the Remuneration and Nomination Committee.

The Company has a procedure for a work performance evaluation of the entire Board of Directors, an individual Board director and a sub-committee, as the following:

1. Make an evaluation of the operating performance efficiency of the entire Board of Directors, an individual Board director and a sub-committee, at least once a year.
2. The Company secretary summarizes and proposes the consequence of the operating performance efficiency evaluation to the Company's Board of Directors.
3. The Corporate Governance Committee considers for improvement of the operating performance efficiency based on the evaluation consequence and proposes to the Company's Board of Directors for acknowledgement.

The objective of a self-evaluation of an individual Board director will focus on an evaluation that can reflect the operating performance efficiency in accordance with the principle of good corporate governance. The criteria for a work performance evaluation is classified as follows:

1. **An Evaluation of the Entire Board's Work Performance:**

An evaluation of the operating performance efficiency of the entire Board of Directors is classified into 6 sections, namely,

- 1.1 The Board's policy
- 1.2 The Board's duty performance
- 1.3 The Board's structure
- 1.4 The Board's performance guideline

- 1.5 Preparation for and implementation of the Board's Meeting

- 1.6 The Board director's characters

In 2021, the combined evaluation consequence from all sections was at an excellence level, with an average score of 4.91 from a full score of 5, representing 98.20 percent, a rise from an evaluation consequence in the previous year.

2. **An Evaluation of an Individual Board Director's Work**

Performance consists of 3 sections of an evaluation as the following:

- 2.1 The Board's structure and qualifications
- 2.2 The Board's meeting
- 2.3 The Board's roles, duties and responsibilities

In 2021, the combined evaluation consequence from all sections was at an excellence level, with an average score of 4.83 from a full score of 5, representing 96.60 percent, a rise from an evaluation consequence in the previous year.

3. **An Evaluation of a Sub-Committee's Work Performance**

consists of 3 sections of an evaluation as follows:

- 3.1 A sub-committee's structure and qualifications
- 3.2 Preparation for and implementation of a sub-committee's meeting
- 3.3 A sub-committee's roles, duties and responsibilities

The evaluation consequences for the 3 sub-committees are given below.

- (1) The Audit Committee

In 2021, the combined evaluation consequence from all sections was at an excellence level, with an average score of 5 from a full score of 5, representing 100 percent, equal to an evaluation consequence in the previous year.

- (2) The Corporate Governance Committee

In 2021, the combined evaluation consequence from all sections was at an excellence level, with an average score of 4.98 from a full score of 5, representing 99.60 percent, approximate to an evaluation consequence in the previous year.

- (3) The Remuneration and Nomination Committee

In 2021, the combined evaluation consequence from all sections was at an excellence level, with an average score of 4.85 from a full score of 5, representing 97.00 percent, approximate to an evaluation consequence in the previous year.

1. **2 Shareholders' Rights**

1. **Awareness of Significance of Shareholders' Rights**

The Company has given priority to and respected the rights of all shareholders, who are regarded as the business's owners. Thus, all shareholders, either major or minor, and institution

investors are encouraged to exercise their rights equally based on the criteria defined by law, which is identified in the Company's rules and regulations, and policy on good corporate governance, for instance, the right to purchase, sell or transfer shares; right to receive the Company's profit share; right to attend shareholders' general meeting; right to give a mandate to any person to attend the meeting instead and vote on his/her behalf; right to nominate a Board director; right to vote for a Board director and determine his remuneration; right to propose the meeting agenda; right to appoint an auditor and determine his service remuneration, and right to obtain sufficient data and information. In addition, shareholders will be equally and transparently provided with accurate, complete and updated information at every meeting. Details of shareholders' rights are given in the Company's policy on good corporate governance, and rules and regulations.

2. Promotion of Shareholders' Rights

2.1 The shareholders' meeting, held once a year, is regarded as a good opportunity for shareholders to exercise their rights in making a decision regarding the Company's performance on various issues. Generally, the meeting is held within 4 months of the Company's accounting year-end, or when there is an urgent need on special issues affecting or involving shareholders' interests, or relating to conditions or regulations and laws that have to be approved by shareholders. In these cases, the extraordinary shareholders' meeting will be convened.

2.2 The Company will, 14 days in advance of every meeting, send out invitation letters to all shareholders, informing them of the date, time and place of the meeting, meeting agenda and the Board's recommendations, together with the necessary documents and information to guide their decisions on voting on significant issues. In this regard, the Company will disseminate the news in an invitation letter for the meeting through the SET and the Company's website. In the case a shareholder cannot attend the meeting, he/she can still exercise his/her rights by giving a mandate to any person or the Board's independent director, who also sits on the Audit Committee and whose name is identified in the mandate, to attend the meeting and vote on his/her behalf. The Company has also notified the independent director of its nomination of him to receive a shareholder's mandate so that the latter (director) can attend the meeting.

2.3 For every shareholder's meeting, all 11 directors of the Company's Board, including the chairman of a sub-committee, and the Company's Management Committee attend the meeting in order to answer shareholders' questions on related issues.

2.4 The Company also facilitates registration in advance. Before a meeting the Company secretary will inform the shareholders

of the practice method for shareholders' general meeting, including the method of vote casting for each agenda. Furthermore, the Company also arranges for an independent auditor to represent shareholders and act as a witness verifying vote counting. During the meeting, all shareholders can fully exercise their rights through a debate, interrogation and expression of opinion for all items on the agenda. The Company also arranges for shareholders' transparent voting on significant issues for each agenda.

2.5 After the meeting the Company has recorded a report on shareholders' general meeting, including a notification of the names of directors/executives attending the meeting and taking a leave of absence, recording of an explanation of the practice method of vote casting for each agenda and the method of score result presentation to shareholders prior to the meeting, and recording of resolution consequences and voting results for each agenda of shareholders' meeting, whether agreed, disagreed or abstention. Similarly, questions on significant issues asked by shareholders and explained by the Company during the meeting are also summarily recorded. Details of the report on shareholders' general meeting are open to shareholders' examination and displayed on the Company's website.

Due to the situation of the spread of the Corona Virus Disease 2019 (COVID-19), and to enable all shareholders to attend the meeting conveniently and safely, in 2021, the Company held a general meeting of shareholders on Friday, April 23, 2021 through the electronics media (E-AGM), in accordance with the emergency decree on The Meeting via Electronics Media, B.E. 2563 and related laws. In this connection, the Company conducted the meeting absolutely in compliance with the policy defined, through the procedure of holding shareholders' meeting in a manner that promotes an equal exercise of every shareholder's rights.

1.3 Equal Treatment of Shareholders

The Company realizes the significance of every shareholder and attempts to generate the equality among all groups of shareholders, whether major or minor, institution investors or foreign shareholders, particularly minor shareholders, as the following:

1. The Company informs of the meeting and meeting agenda and the Board's recommendations to the SET and disseminates invitation letters for shareholders' general meeting, together with the necessary documents, both the Thai-language copy and English-language copy (for foreign shareholders, on the Company's website 30 days in advance of shareholders' general meeting).
2. The Company has allowed the minority of shareholders to propose additional agenda of shareholders' general

meeting and nominate a new director between October 1, 2020 and December 31, 2020, prior to the meeting, to assume the position of a Board member. The Company disseminates the detail of such criteria and practice procedure through the SET's disclosure channel and the Company's website.

3. At the shareholders' general meeting, the Company secretary has informed shareholders of regulations used in the meeting, phases of vote casting, including the right to vote based on each category of share. To preserve every shareholder's rights, the chairman of the meeting has conducted the meeting in accordance with the meeting agenda informed in invitation letters for shareholders' general meeting, while no meeting agenda is added without being informed to shareholders in advance.
4. The Company has allowed a shareholder who cannot attend the meeting to exercise his/her rights by giving a mandate to the Board's independent director or any person to attend the meeting and vote on his/her behalf, while no condition is defined to make it difficult to give a mandate.

1.4 Stakeholders' Rights

The Company is fully cognizant of its stakeholders' rights and obviously defines its treatment of each group of stakeholders since it believes that the stakeholders' support benefits the Company's good reputation and ability to compete in the market, as well as helps build up the Company's profit in the long term. A guideline for the Company's treatment classified by group of stakeholders is summarized below.

- **Shareholders** The Company has realized and given priority to shareholders as the Company's owner and is determined to be a good representative of shareholders by taking good care of their benefits and providing them with the greatest satisfaction through high and continuous remuneration, apart from overseeing to ensure an equal and fair treatment of every stakeholder. Likewise, all reliable business information will be disseminated to them accurately, completely, transparently and timely in conformity with generally accepted standard.
- **Employees** The Company will treat its employees at all levels equally on the basis of moral and fairness principles in order to encourage them to work efficiently, without regard to sex, race, religion or institutional differences as limitations to their career advancement. The Company is also strongly determined to consistently develop all employees' potential for their skills, knowledge and capability necessary to the successful implementation of their work, aimed at generating utmost satisfaction for customers, apart from giving an equal opportunity for career advancement to all employees and providing them with appropriate and fair remuneration.

The Company also gives priority to its employees' welfare and safety through providing for welfare schemes and all other benefits which are both fundamental and higher than the requirements of laws, i.e. regular holiday, annual holiday, provident fund scheme, loan scheme, life and health insurance coverage, annual physical examination, 5s and relaxation programs, as well as the maintenance of a good working atmosphere and the protection of employees' health and safety. The Company continuously makes public relations on these schemes and benefits to its employees.

- **Customers** The Company is determined to develop and improve its service provision efficiency, besides offering various quality insurance products according to international standards, providing suitable coverage at a reasonable price, and indemnification made on a fair and fast basis. In addition, the Company attaches to a fair and moral principle, including being well aware of its responsibilities to customers in terms of providing them with accurate information and data, as well as knowledge.

The Company has arranged its service channels in order for customers to contact the Company and make an inquiry about data/comments. The contact detail is publicized on its website at www.bangkoninsurance.com. In addition, the Company has specifically established a work unit to receive customers' complaints and comments, aimed at coordinating related departments for an improvement of their work efficiency.

- **Business Partners** The Company regards its business partners as trading partners and therefore treats them on an honest, transparent, fair and equal basis, including being in strict compliance with the contracts or conditions agreed upon, besides providing them with accurate, sufficient and equal information and data. These business partners will be given opportunities to comment and propose suggestions concerning any and all joint business issues. In addition, the Company has clearly defined the procedures for selecting its business partners and an assessment of their performance in its performance manual. To ensure that the rights of business partners are protected, the Company will treat business partners' secrets as strictly confidential.

For the procedures for selecting and evaluating its business partners, the Company has defined the following criteria and implementing stages.

1. Define qualifications of business partners doing business with the Company. The qualifications and measures for selecting business partners include the following.
 - 1.1 Never be revoked of their license.
 - 1.2 Not have an impaired reputation of fraud or malfeasance.
 - 1.3 Give support to customer services.
 - 1.4 Have potential of growing with the Company in the long-term.

2. Define documents supplementing business partners' application.
 3. Consider qualifications and documents supplementing business partners' application.
 4. Inform business partners of consideration results to accept them as the Company's contractual business partners.
 5. Arrange for a contract between the Company and business partners, apart from asking them for cooperation of being in compliance with an anti-corruption policy, and recording business partner list registration in the contract.
 6. Annually make an assessment of business partners based on the criteria the Company has defined, including making a survey on customer satisfaction derived from their services.
 7. Make a conclusion of an annual business partner assessment and present it to superiors for consideration for approval.
 8. Inform business partners of an annual assessment result.
- **Competitors** While maintaining its accepted professional business standards based on the benefit, the Company intends to maintain its position in the market and compete effectively, while refraining from seeking any business competitor's secrets through a dishonest or inappropriate method, or damaging its reputation for the Company's own benefit. The Company emphasizes the quality and efficiency of its services, stressing the greatest benefit to our customers and the standing of the insurance industry as a whole.
 - **Creditors** The Company is strongly committed to a fair and equal treatment of all its creditors on an honest and fair basis for both sides, and will therefore follow all agreed conditions with its creditors. If the conditions agreed upon cannot be honored or there is a cause of default on its payment, the Company will notify its creditors in advance without concealing the fact so as to jointly find quick and fair solutions, apart from seeking for the capital management with appropriate structure to support the Company's business performance and retain the confidence among its creditors.
 - **Society and Environment** The Company realizes its responsibilities to society and to the preservation of the environment. As a consequence, it has supported many activities that benefit the community, such as the development of society through employing disabled labor. It also provides support and assistance to communities jointly with other agencies both in the government and the private sector. All activities and projects have been offered to the Company's management and staff so that they can participate, as well as realize the significance of conducting themselves in a way that would truly benefit society. Details of the Company's activities are listed below.
 - Support royal activities via its financial contributions to the Ananda Mahidol Foundation, the Chai Pattana Foundation and the Graduates Go Home project.
 - Support public health promotion by presenting ventilators, oxygen-producing equipment of medicine sprayer, and medical equipment to hospitals in rural areas.
 - Grant scholarships to poor students at the university level, support the Breakfast Fund for Primary School Students project, and support the necessities of life.
 - Support society and occupation development activities via the "Promotion of Occupation for Villagers" project.
 - Support Buddhism through a financial contribution to the construction of the temple wall of Wat Suan Pa Rim Than in Mukdahan.
 - Support public disaster relief by presenting subsistence bags to public disaster victims, and contributing insurance premiums for the "Hua Jai Pue Phan Din" building to a hospital in Sakon Nakhon.
 - Provide archaeological support through the "Study the Technology for Producing Ancient Stone Ornaments from Archaeological Sites of Ban Promthintai" project and producing a video introducing the community museum of Ban Promthintai.
 - Support various charities through making name tags of supporters for the Somdej Phrasrinakarin building and financial contributions to numerous foundations, and support necessities to communities.
 - **The Government Sector** The Company has strictly carried out its business transactions under the requirements defined by laws, rules and regulations concerned, apart from cooperating and maintaining a good relation with the government agencies and the regulator, through providing accurate, complete and sufficient information and data requested by them in order to display its transparency, as well as generating mutual confidence and trust.
 - **Practices according to Human Rights Principles** The Company is determined to abide by universal human rights principles through equal treatment of its employees and stakeholders, without discrimination due to their physical, racial, nationality, religious, gender, age, complexion, educational, social status and public opinion differences, or differences in other issues, apart from promoting knowledge and understanding of the issue among its employees so that they can appropriately apply the human rights principles to the performance of their work and duties.
 - **Intellectual Property or Copyright** The Company constantly encourages its employees to initiate and develop new products, whether development of a work manual, product design or computer programs. This is aimed not only at benefiting business, but also at developing employees' potential. Nevertheless, any work which the Company's employees have created during the time they worked with it, whether assigned by the Company, or by use of the

Company's data, or the work learned from the Company, is regarded as the Company's sole ownership, while such data, including the Company's confidential business data and other confidential data, must not be disclosed to outsiders without the Company's permission. In addition, the Company has also defined policies and practice regulations to prevent violations of copyright laws and an act on the computer offense commission, as well as notified them to the Company's employees. Besides, the Company has an efficient control process for its employees' practices in compliance with rules and regulations.

- **Anti-Corruption** The Company has a policy on anti-corruption which has published on www.bangkokinsurance.com/company/anti-corruption for its Board directors, management and employees to strictly abide by it by banning them from demanding, practicing or accepting corrupt practices of all forms, exploiting their authority, whether directly or indirectly, to seek any advantage for themselves or others, offering unlawful interests to any other person as an incentive, accepting or giving gifts or giving a reception beyond necessity, besides forbidding them to lend their support in the form of money or other benefits, whether directly or indirectly, to political parties, to donate money or provide financial support to other people or agencies as a channel for paying a bribe, to pay for a facilitation fee of any form, whether directly or indirectly, to government officials, and to employ government officials/employees for their appointment as the Company's Board directors, advisors and executives.

Additionally, the Company also has its Internal Audit Office inspect and make an assessment of the implementation in compliance with the Company's anti-corruption policy, including giving suggestions as to an appropriate resolution guideline, apart from assigning the Audit Committee to follow up and oversee to ensure that the Company has an internal control system which can adequately prevent its corruption risk, besides reporting on its performance consequence to the Board.

- **Communications with Stakeholders and Receiving Complaints** The Company has also arranged for channels to provide convenience to each group of stakeholders to communicate or file a complaint on matters that may cause damage to the Company, acts violating laws, orders, regulations and code of ethics, including frauds and corruption, to its Board of Directors through the Audit Committee, the Company secretary, the Internal Audit Office and Quality Control Center. The complaints may be directly filed verbally or in writing, sent as a letter via an e-mail or the Company's website. Details of the method of complaint filing can be studied from the Company's policy on a report on corrupt practice clues revealed on its website at www.bangkokinsurance.com.

1.5 Data Disclosure and Transparency

The Company's Board has given priority to the information disclosure since it is a matter affecting the decision of investors and stakeholders, and thus has formulated a policy on disclosure of significant data related to the Company, both financial and non-financial data, as defined by the SEC, SET and other government agencies. Data disclosure focuses on transparency, accuracy, completeness and timelessness, through press conferences, the channels of the SET, as well as the Company's annual report (Form 56-1 One Report). Additionally, the data is disclosed both in Thai and English via the Company's website, and continually updated for reliability and easy and equal access by shareholders and other related persons. The implementations include the following.

1. Disclosure of financial and non-financial data accurately, completely and in time.
2. Preparation for a report on the Board of Directors' responsibility for financial statements.
3. Preparation for a summary report on the policy on good corporate governance, code of corporate conduct, policy on risk management and CSR policy as approved, as well as the consequence of performance based on those policies.
4. Disclosure of audit remuneration and remuneration for other services provided by the auditor.
5. Disclosure of the roles and duties of the Board and sub-committees, numbers of meetings and meeting attendance of each Board director in the previous year.
6. The constant training and development of occupational knowledge of the Board.
7. Having a get-together with analysts and investors.
8. Data disclosure on the Company's website and updating data listed below.
 - (1) The Company's vision and mission
 - (2) The type of the Company's business transactions
 - (3) A name list of the Board directors and executives
 - (4) The Company's financial statements and a report on its operations both at present and of the year before
 - (5) Form 56-1, the annual report and 56-1 One Report, which can be downloaded
 - (6) The shareholding structure of major shareholders and the proportion of shareholding
 - (7) A group of companies' structure
 - (8) Invitation letters for shareholders' general meeting and a report on shareholders' general meeting
 - (9) The Company's rules and regulations
 - (10) The policy on good corporate governance
 - (11) The code of conduct for the Company's Board directors and employees
 - (12) The policy on anti-corruption
 - (13) The policy on whistle blowing
 - (14) The organization's structure
 - (15) The data on contacting sections or persons responsible for Investor Relations work

The Company has realized that its data, both financial and non-financial, has an impact on shareholders' and general investors' decision-making. As a result, to make disclosure of significant data accurate, fast and transparent, the Company has provided for investors relations to take care of communicating the Company's information and data to investors and outsiders, besides treating them equally and fairly, as well as in a well-arranged manner. Investors may make an inquiry for further investment data at the phone number 0 2285 7320 or e-mail address IR@bangkokinsurance.com.

In 2021, the Company had a get-together with analysts and investors twice, aimed at providing data on its operating performance direction and returns, with the following detail.

Date	Analyst/Investor (Number)	Number of companies
June 1, 2021	14	6
June 2, 2021	1	1

2. Practice Based on Business Code of Conduct

The Company has given importance to developing the values on ethical conduct to promote a behavior displaying responsibilities to one's duties and job, shareholders, colleagues, stakeholders and society, including refraining from any behavior which risks violating ethical conduct and may result in the violation of laws.

In 2021, the Company had implemented the business code of conduct issue as the following:

1. Constantly make an annual review of its business code of conduct. The business code of conduct currently practiced is proper and up-to-date, while the Internal Audit Office has steadily verified the Company's employees' practice in compliance with the business code of conduct.
2. Provide, for 2 times, a training course on "Business Code of Conduct" in order for employees to have knowledge and understanding of the business code of conduct, ethical conduct and good practices on work performance, apart from being able to correctly and appropriately apply the knowledge learned to their work performance.

3. Prevention of Conflict of Interest

The Company's Board of Directors has defined a policy on the conflict of interest in order for its Board directors, management and employees to refrain from conducting any business transactions in competition with the Company and making crossover transactions with oneself, a related person or juristic person that may cause a conflict of interest with the Company. The Company's Board has assigned the Audit Committee to verify crossover transactions and those with conflicts of interest, for consideration and comments before proposing them to the Board for consideration for approval,

apart from disclosing data in the annual report (Form 56-1 One Report).

In addition, the Company's Board of Directors has formulated a policy on reporting on Board directors' and management's stakeholdings by disclosing, within 7 days starting from the date the reported data has been changed, data on their stakeholdings and related persons' to the Company secretary so that he/she will make a summary report to the Board for acknowledgement in the first quarter of each year.

4. Use of Insider Information to Seek Advantage

The Company has defined a policy on the use of insider information by banning its Board directors, management and employees, informed of data substantial to securities price alteration, from purchasing or selling the Company's stocks during a period of one month before the financial statements are revealed to the general public and it is beyond twenty-four hours starting from the date the data is displayed, including defining the right to access the Company's information only for executives and employees directly involved with the job. Furthermore, the Company has formulated in writing regulations on security arrangements and security transference in accordance with those of the Security Act and Security Exchange Act of 1992, Section 59. In this regard, the scope of report, reporters, reporting methodology, and reporting time, including the report to the Company's Board's meeting, have been defined for the Board's acknowledgement in each quarter. So far, there have been practices in strict compliance with the policy, rules and regulations defined.

5. Anti-Corruption

The Company has been strongly determined to conduct its business transactions transparently, accurately and fairly based on the principle of good corporate governance through the determination to inject a sound practice guideline to create organization structure, apart from defining organizational structure, role and responsibility for overseeing to ensure an efficient system of internal control and risk management, aimed at preventing the performance causing corruption. The Company realizes the significance of anti-corruption practice and thus displays its determination to take part in the Collective Anti-Corruption (CAC).

The Company was approved by the Board of Directors' resolution on its 1/2015 meeting on February 27, 2015 to request for the certification to take part in the Collective Action Coalition (CAC). The Company was certified a CAC member as the following:

Certificate Detail	Date of Certification	Date of Certification Termination
First certified	October 16, 2015	October 16, 2018
First renewed	August 21, 2018	August 21, 2021
Second renewed	September 30, 2021	September 30, 2024

Performance Guidelines for Anti-Corruption

1. The Company has declared its anti-corruption policy and has improved anti-corruption measures in accordance with an alteration based on the requirements of laws and the business transaction context, including communicating a sound policy on and guideline for anti-corruption to the Company's management and all levels of employees in order to strictly comply with such policy and guideline. They are banned from demanding, practicing or accepting corrupt practices of all forms, exploiting their authority, whether directly or indirectly, to seek any advantage for themselves or others, offering unlawful interests to any other person as an incentive, accepting or giving gifts or giving a reception beyond necessity, besides being forbidden to lend their support in the form of money or other benefits, whether directly or indirectly, to political parties, and to donate money or provide financial support to other people or agencies as a channel for paying a bribe.

The Company has stipulated that its Board of Directors shall take charge of overseeing to ensure that any implementation is in compliance with the policy, while the policy itself has to be steadily verified each year.

In 2021, the Company was not accused or complained about its corruption and taking a bribe by the Office of Insurance Commission, the Anti-Money Laundering Office, the Office of the National Counter Corruption Commission and the SEC.

2. The Company has a whistle-blowing policy for employees, business partners or outsiders who have found an act involved with a corrupt practice to file a complaint via different channels, which will be sent directly to the head of Internal Audit Office. A complaint filed to the Company will be strictly treated as the most confidential, while it has a protective measure for those giving data or reporting a corrupt practice clue so that they will not get into trouble. The Company will treat all parties on a fair basis. If a person committing corruption is the Company's employee, he/she is subject to disciplinary punishment according to its rules and regulations, and may even be penalized by law if his/her act is illegal.
3. The Company has provided for a risk management system appropriate for its business transaction, through a procedure of assessment of corruption risk, which is regarded as part of a measure that has to be followed up periodically, to ensure an effective implementation of the anti-corruption measure. Implementation consequences will be followed up and presented to the Company's Management and Risk Management Committee, and the latter will subsequently report to the Board of Directors.

4. The Company has constantly provided for training to give all its employees knowledge of its policy on and practice guideline for anti-corruption, including related policies, for instance, business code of conduct, policies on whistle blowing, etc. Furthermore, the Company has its employees obtain external training with the Comptroller General's Department, in cooperation with the Office of Public Sector Anti-Corruption Commission, in such course as Cultivating Government Officials' Awareness Based on the Principle of Good Corporate Governance on Counter Corruption for Fiscal Year 2564 B.E.
5. The Company has communicated with external agencies and stakeholders for their acknowledgement of its policies on anti-corruption and clue report via the Company's website, annual report and newsletter in order for all of them to abide by these policies.
6. The Company has assigned the Internal Audit Office to have duties on the audit and assessment of the performance in conformity with its anti-corruption policy, including providing comments on an appropriate resolution guideline, apart from assigning the Audit Committee to follow up and oversee to ensure that there is an adequate internal control system preventing corruption risk, as well as to report on its performance consequence to the Company's Board.

Management of Complaints and Corruption

The Company has encouraged its employees and related outsiders to report a corrupt practice clue or file a complaint on an act violating the law or not being in accordance with the Company's guideline and code of conduct for business transactions through various channels as the following:

Mail

The Audit Committee/Company Secretary/
Internal Audit Office/Quality Control Center
Bangkok Insurance Public Company Limited
25 Sathon Tai Road, Thung Maha Mek,
Sathon, Bangkok 10120

Phone Number/E-mail/Website

Tel. 0 2285 7772
anti-corruption@bangkokinsurance.com
www.bangkokinsurance.com

The Company has a policy of maintaining secrecy through not disclosing the identity of reporters, apart from having a systematic procedure on complaint management via defining a section skillful in a fact inspection, which reports its performance consequence to the committee on disciplinary penalty consideration and reports, each quarter, on the consideration result to the Audit Committee for acknowledgement.

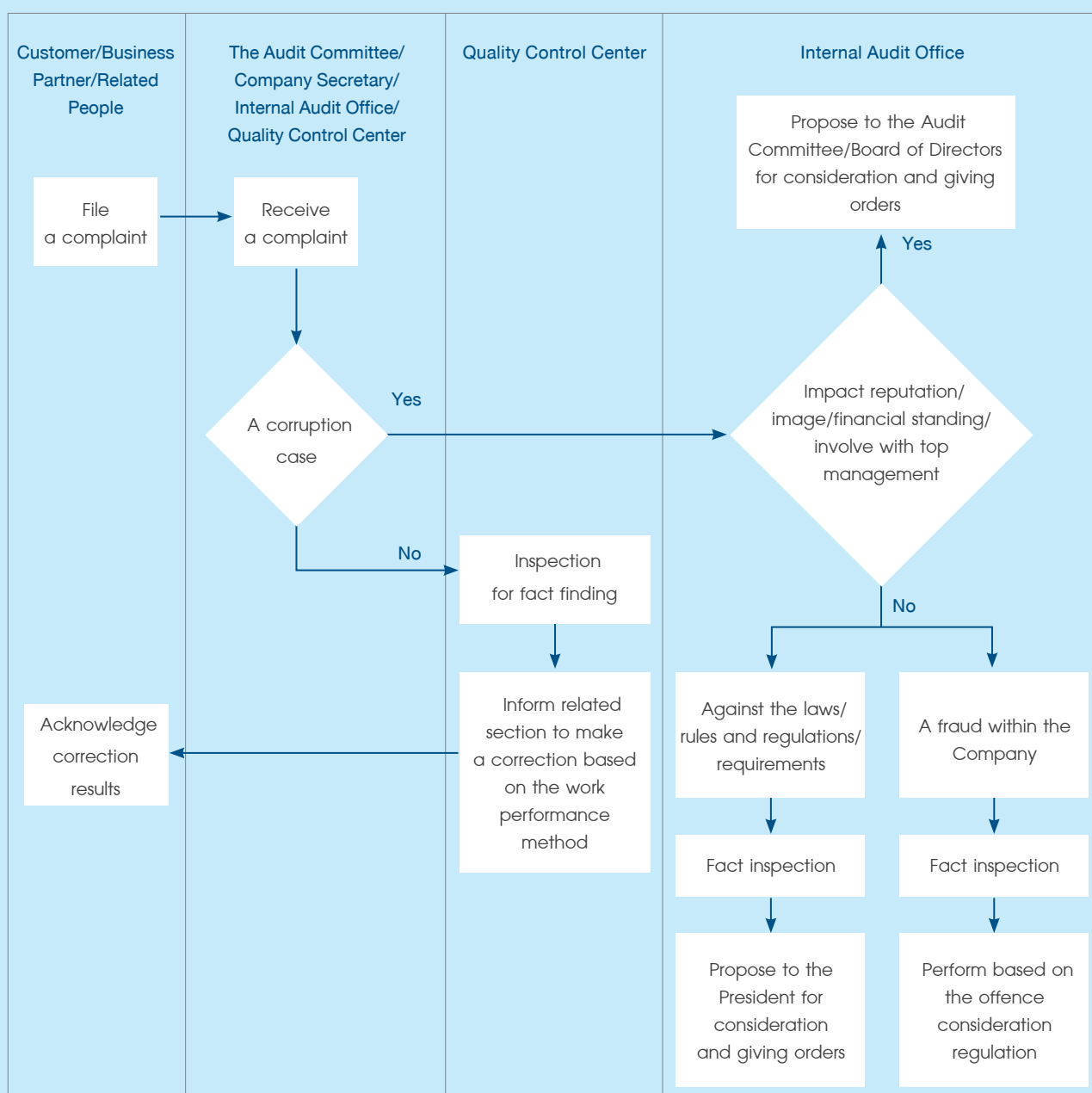
Data on Complaints in 2021

The Company has followed up complaints of a corrupt practice or an act violating the business code of conduct. In 2021, there were 8 accounts of complaints classified as follows:

Detail	No. of Accounts	Implementation Consequence
Practice not in compliance with regulation and guideline	4	Inspection and already corrected
Misdemeanor	2	
Corrupt practice on work performance	2	Under consideration

The Company has defined a guideline for penalizing its employees who commits wrongdoing in proportion to their offence, comprising of a warning in writing and employment termination.

Complaint Management Procedure



INTERNAL CONTROL AND RISK MANAGEMENT

1. Internal Control System

The Company has established an efficient and effective internal control and risk management system. The Company's Board of Directors and management have duties and responsibilities for arranging and preserving an internal control and risk management system which enables the Company's operating performance to fulfill its established goals and objectives.

The meeting of the Board of Directors (No. 6/2021) held on November 12, 2021, with all members of the Audit Committee in attendance, reviewed the efficiency of the internal control system using the SEC's assessment questionnaire as a guideline, which covered the following issues:

Control Environment

1. The organization displays its attachment to the merit of integrity and ethics.
2. The Company's Board of Directors is independent of its management and is in charge of overseeing and developing an implementation of an internal control.
3. The Company's management has arranged the reporting line structure, and the determination of command authority and appropriate responsibilities to enable the organization to achieve its objectives under the Board of Directors' overseeing.
4. The organization reveals its determination to motivate, develop and preserve knowledgeable and capable employees.
5. The organization defines its employees' duties on and responsibilities for an internal control so as to fulfill its objectives.

Risk Assessment

6. The organization obviously and adequately defines its objectives to enable the identification and assessment of various risks relating to its objective fulfillment.
7. The organization makes all-inclusive identification and analysis of all types of risks which may have an impact on its objective fulfillment
8. The organization has considered the opportunity for a possible corrupt practice in its risk assessment aimed at achieving its objectives.
9. The organization is able to identify and assess a change which may affect an internal control system.

Control Activities

10. The organization has a control measure which helps reduce a risk of not achieving its objectives to an acceptable level.
11. The organization chooses and develops general control activities through a technological system in support of its objective fulfillment.
12. The organization carries out control activities via its policy which defines what is expected and implementation steps so that the policy defined can lead to an implementation.

Information and Communication

13. The organization has related and quality data to enable an internal control to go on as defined.
14. The organization communicates internal data, including objectives of and responsibilities for an internal control so that it can go on as planned.
15. The organization communicates with external agencies relating to issues that may have an impact on an internal control.

Monitoring Activities

16. The organization follows up and evaluates its internal control to ensure that an internal control still resumes completely and properly.
17. The organization timely evaluates and communicates the deficiency of an internal control upon the person responsible, including the Company's management and Board of Directors, as appropriate.

The Company's Board of Directors has reviewed the Company's internal control system and unanimously agreed that its internal control system and risk management is sufficient and appropriate, without any deficiency of its internal control system, having a control and protection of the Company's properties, as well as adequate personnel to implement the system efficiently.

2. The Audit Committee's Opinion

The Audit Committee has reviewed the efficiency of the Company's internal control system using the SEC's assessment questionnaire as a guideline, and has unanimously agreed as the Company's Board of Directors that the Company has established a proper and effective internal control system and efficient risk management, as well as having a sound control and protection of the Company's assets, apart from sufficient personnel to implement the system efficiently.

3. The Company's Head of Internal Audit Office and Corporate Compliance Management Office

The Company's Head of Internal Audit Office is under the supervision of Mr. Vichien Moleewon, whose qualifications the Audit Committee considers proper to perform his work efficiently, while the Company's Head of Corporate Compliance Management Office is under the supervision of Miss Umaporn Hualbuttar.

An appointment, dismissal or transfer of the Company's head of Internal Audit Office must be approved by the Audit Committee. Detailed data on the qualifications of the Company's head of Internal Audit Office and Corporate Compliance Management Office are displayed in The Structure of Good Corporate Governance: Other Important Information

RELATED PARTIES TRANSACTIONS

Types of Related Parties Transactions

A portion of the Company's business deals with related parties, where the relationship may be by shareholding or by companies having the same group of shareholders or directors. In considering the relationship between individuals or enterprises, attention is directed to the substance of the relationship, and not merely to the legal form or the basis of commitments. Transactions are

determined on the basis of conditions in the normal course of business and according to market value. In addition to the related-transaction disclosure in Note 13 and 30 of the financial statements for the year 2021, the Company would like to reveal additional information for cross-over transaction as follows:

(Million Baht)

Transaction with Related Party	Related Party	Relationship	2021	2020
Investment in Associated Companies	Disclosure in Note 13	-	281.2	268.9
Available-for-sale Investments Measured at Fair Value Through Other Comprehensive Income Equity Securities	Disclosure in Note 30	-	23,811.8	20,165.1
Premiums Written	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	349.6	327.9
Premium Due and Uncollected	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	35.8	6.5
Interest Income*	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	51.3	68.4
Dividend Income	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	120.0	171.4
Bank Deposits	Bangkok Bank PCL.	Having Common Directors and 9.97% of Shareholding in the Company	6,660.9	8,388.8

* Interest is charged at the same rates as those that financial institutions and related parties offer to other customers, based on market value.

Necessity and Justification of the Items

The Company has the above interrelated items, together with those disclosed in the remarks supplementary to the financial statements, in order to support its operation, expand its customer base and develop its business. They are generated according to the general regular business in which the Company has complied with the rules and regulations of the Office of Insurance Commission and standard trading conditions, with fair value based on market value. Nevertheless, the Company expects to generate maximum benefit.

Procedures for Approval of Interrelated Items

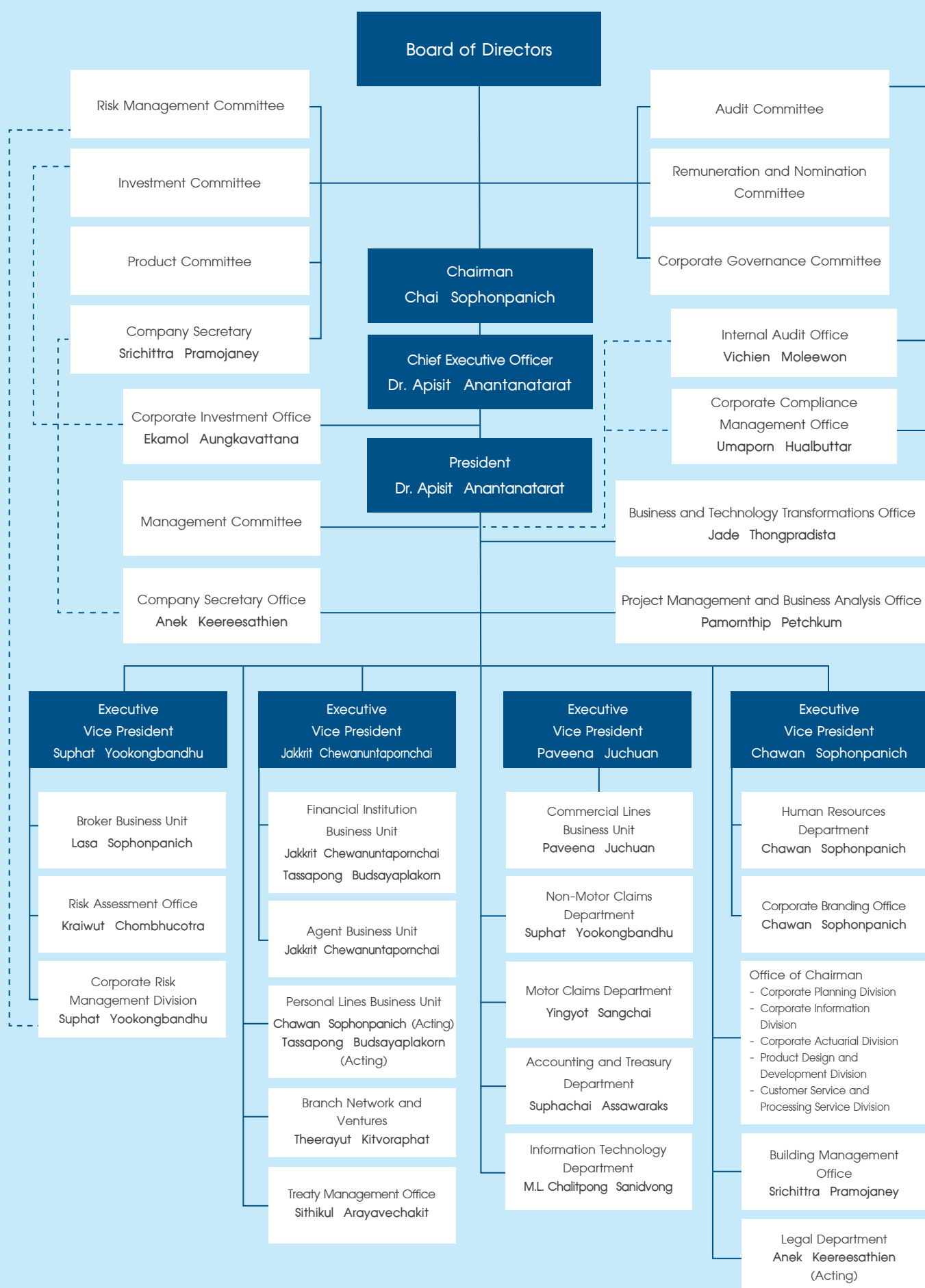
The Company has internal control systems at various levels based on the type of interrelated items, which are implemented in accordance with the law, regulations and policy of the Company that comply with other courses of business. In order to avoid any conflict of interest in making interrelated items, the Company complies with the regulations of the SET. However, when the transaction of an interrelated item occurs, it will comply with the regular trade in the market, and the Audit Committee shall review the item's suitability and justification before presenting it to the Board for consideration for approval.

Policy of Making Interrelated Items in the Future

The Company has in force a policy of making interrelated items in the future, which will be in accordance with those principles explained above. The Company will comply with the rules and notices of the SET.

It is the intention of the Company, however, to continue its business in a clear and transparent manner, which is fair to its business partners, customers and shareholders, and is in keeping with the highest standards of benefit to the Company.

ORGANIZATION STRUCTURE



ADVISORY BOARD



Mr. Piti Sithi - amnuai

Adviser



Mr. Damrong Krishnamara

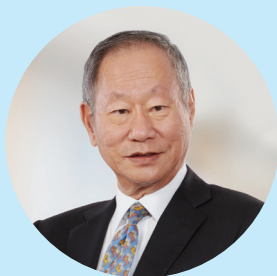
Adviser



Mr. Voravit Rojrapitada

Adviser

BOARD OF DIRECTORS AND BOARD OF DIRECTORS PROFILE



Mr. Chai Sophonpanich Chairman and Authorized Director

Age 78 Years Old

Date of Appointment

November 9, 2018

BKI Shareholding

- 3,917,051 shares (as at November 26, 2021 which is the latest record date) or 3.679019% of total number of shares entitled to vote
- Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows: Spouse - Mrs. Nuchanart Sophonpanich 1,103,671 shares or 1.036603% of total number of shares entitled to vote

Family Relationship with Other Directors and Members of Management

- Father of Mr. Chawan Sophonpanich
- Father of Miss Lasa Sophonpanich
- Uncle-in-law of Mrs. Nintira Sophonpanich

Education/Training

- B.Sc., University of Colorado, U.S.A.
- Advanced Management Program, the Wharton School
- The Joint State - Private Sectors Class 6, the National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Chairman 2000 Class 10/2004
- Director Certification Program (DCP) Class 16/2002

Work Experiences

Positions in Listed Companies

- Nov 9, 2018 - present, 1978 - Jun 16, 2017 Chairman, Bangkok Insurance Public Co., Ltd.
- 2010 - 2015 Chairman and Chief Executive Officer, Bangkok Insurance Public Co., Ltd.
- 1976 - 2009 Director and President, Bangkok Insurance Public Co., Ltd.
- 1968 - 1977 Director, Bangkok Insurance Public Co., Ltd.
- Aug 14, 2020 - Present, 1968 - 2015 Director, Bangkok Life Assurance Public Co., Ltd.
- Sep 4, 2018 - Present, 1986 - Jun 2017 Chairman, Charoong Thai Wire & Cable Public Co., Ltd.
- Nov 9, 2018 - Present, 1988 - Jun 2017 Chairman, Fine Metal Technologies Public Co., Ltd.
- Aug 8, 2018 - Present, 1979 - Jun 2017 Chairman, Bumrungrad Hospital Public Co., Ltd.
- Nov 2018 - Apr 2021 Chairman, Director of Investment Committee, and Director of the Remuneration and Nomination Committee, Thai Reinsurance Public Co., Ltd.
- 2016 - Jun 2017 Chairman, Thai Reinsurance Public Co., Ltd.
- 1991 - 2015 Vice Chairman, Thai Reinsurance Public Co., Ltd.

Positions in Non-listed Companies

- May 17, 2018 - Present Chairman, University Committee on Accounting and Finance, Mae Fah Luang University
- 2015 - May 17, 2018 Director, University Committee on Accounting and Finance, Mae Fah Luang University
- 2003 - Present Director, Mae Fah Luang University Promotion Committee
- 2008 - Present Director, Honorary Member of Mae Fah Luang University Council
- 2017 - Present Executive Chairman, The Queen's Gallery
- 2008 - 2016 Executive Vice Chairman, The Queen's Gallery

- 2013 - Present Director, Foundation for The Volunteers Defence under The Royal Patronage of Her Majesty The Queen
- 2009 - Present Director, Princess Srinagarindra's Centenary Celebrations Foundation
- 1997 - Present Director, Chulalongkorn Medical School Foundation
- 1994 - Present Chairman, Bangkok Insurance Foundation
- 1980 - Present Chairman, Bumrungrad Hospital Foundation
- 2012 - Present Executive Board, Association of Insurers and Reinsurers of Developing Countries
- 1998 - Present Director, PT Asian International Investindo
- 1998 - Present Director, Asian Insurance International (Holding) Ltd.
- 2009 - 2015 Director, International Insurance Society, Inc., New York, U.S.A.
- 2006 - 2008 Chairman, The Federation of Thai Insurance Organization
- 1984 - 1986, 1989 - 1991, 1997 - 1999, 1999 - 2001, 2005 - 2007 President, The General Insurance Association
- 1970 - 2007 Director, The General Insurance Association
- 1988 - 1992 Chairman, Asean Reinsurance Corp., Ltd., Singapore
- 1987 - 1989 Chairman, Asean Insurance Council, Jakarta
- 1984 - 1986, 2004 - 2006 President, The East Asian Insurance Congress



VDC Col Plengsakdi Prakaspesat
Independent Director and
Chairman of the Audit Committee

Age 79 Years Old

Date of Appointment

April 7, 1999

BKI Shareholding

- None

**Family Relationship with Other Directors
and Members of Management**

- None

Education/Training

- Ph.D. (Honoris Causa) on Mass Communication, Ramkhamhaeng University
- Ph.D. (Honoris Causa) on Arts, Rajabhat Institute Lampang
- Graduate in Commerce from Ross College (Dublin), Ireland

- Certificate of the Course for Top Executives, The Association for Overseas Technical Scholarship (AOTS), Japan
- The Joint State - Private Sector Class 1/1989, The National Defence College of Thailand
- AC Hot Update, The Federation of Accounting Professions

Thai Institute of Directors Association (IOD) Training Program

- Audit Committee Program (ACP) Class 17/2007
- The Characteristics of Effective Directors Class 1/2006
- Director Accreditation Program (DAP) Class 27/2003

Work Experiences

Positions in Listed Companies

- Nov 16, 2005 - Present Chairman of the Audit Committee, Bangkok Insurance Public Co., Ltd.
- Apr 7, 1999 - Present Independent Director, Bangkok Insurance Public Co., Ltd.
- Aug 11, 2017 - Nov 9, 2018 Chairman, Bangkok Insurance Public Co., Ltd.
- 2004 - 2005 Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.
- 1999 - 2005 Director of the Audit Committee, Bangkok Insurance Public Co., Ltd.

- 1997 - Present Senior Adviser, Thai Central Chemical Public Co., Ltd.

Positions in Non-listed Companies

- Sep 2009 - Present Territorial Volunteer Defence Corps Colonel and Vice President of the Foundation of The Volunteers Defence Under the Royal Patronage of Her Majesty The Queen
- 2001 - Present Adviser, United Flour Mill Public Co., Ltd.
- 1980 - 2001 Vice Chairman, United Flour Mill Public Co., Ltd.
- 2010 - 2019 Member Experts of Fertilizer Committee, The Ministry of Agriculture and Cooperatives
- 1978 - Nov 2018 Independent Director and Member of the Audit Committee, Industrial and Commercial Bank of China (Thai) Public Co., Ltd.
- 2005 - Apr 2010 Member of the Compensation and Corporate Governance Committee, ACL Bank Public Co., Ltd.
- 2005 - Jun 2010 Independent Director and Member of the Audit Committee, ACL Bank Public Co., Ltd.
- 1987 - 2015 Qualified Committee, Assumption University
- 1984 - 2006 Honorary Chairman, Asia Pacific Potash Corporation Ltd.
- 1997 - 2005 Corporate Chairman, MC. Industrial Chemical Co., Ltd.



Mr. Chor.nun Petpaisit
Independent Director and
Director of the Audit Committee

Age 70 Years Old

Date of Appointment

February 28, 2006

BKI Shareholding

- None

**Family Relationship with Other Directors
and Members of Management**

- None

Education/Training

- B.B.A. (Accounting), Thammasat University

Thai Institute of Directors Association (IOD) Training Program

- Financial Institutions Governance Program (FGP) Class 4/2012
- Successful Formulation & Execution of Strategy (SFE) Class 8/2010
- Audit Committee Program (ACP) Class 28/2009
- Director Certification Program (DCP) Class 76/2006
- Director Accreditation Program (DAP) Class 28/2004

Work Experiences

Positions in Listed Companies

- Feb 27, 2009 - Present Director of the Audit Committee, Bangkok Insurance Public Co., Ltd.
- Feb 28, 2006 - Present, Apr 3, 2002 - Nov 17, 2004 Independent Director, Bangkok Insurance Public Co., Ltd.
- Jul 30, 2020 - Present Independent Director, Shangri-La Hotel Public Co., Ltd.
- 2019 - Present Independent Director and Director of the Audit Committee, Fine Metal Technologies Public Co., Ltd.

- Apr 2015 - Present Independent Director and Director of the Audit Committee, Interhides Public Co., Ltd.

Positions in Non-listed Companies

- 2013 - Present Adviser, Thai Charoen Corporation Group (TCC Group)
- 2011 - 2012 Inspector General, Ministry of Finance
- 2008 - 2011 Principal Adviser on Performance Improvement, The Revenue Department, Ministry of Finance
- 2001 - 2008 Policy and Plan Expert, The Revenue Department, Ministry of Finance
- 2000 - 2001 Director, Bureau of Tax Audit Operation, The Revenue Department, Ministry of Finance
- 2011 - 2012 Director, Government Savings Bank
- 2010 - 2011, 2006 - 2008 Director, Government Housing Bank
- 2010 - 2011, 2005 - 2006 Director, Tourism Authority of Thailand
- 2009 - 2012 Director, The Government Pharmaceutical Organization
- 2005 - 2007 Director, National Science Museum



Miss Potjane Tanavarant

Independent Director and Director of the Audit Committee

Age 75 Years Old

Date of Appointment

February 27, 2007

BKI Shareholding

- None

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- M.B.A., Syracuse University, New York, U.S.A.
- B.B.A. (Accounting), Chulalongkorn University
- Certificate of Advanced Course in General Insurance, Swiss Insurance Training Center, Switzerland
- Certificate of Advanced Management Program, Australian Management College, Australia
- Certificate of Executive Development Program Class 18, Office of the Civil Service Commission
- National Defence College, Class 42
- Certificate of Top Executive Program Class 8, Capital Market Academy
- Certificate of Top Executive Program in Commerce and Trade Class 3, Commerce Academy
- Advanced Security Management Program Class 2, The National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Director Leadership Certification Program (DLCP) Class 0/2021
- Board Nomination and Compensation Program (BNCP) Class 11/2021
- Risk Management Program for Corporate Leaders (RCL) Class 25/2021

- IT Governance Program (ITG) Class 2/2016
- Director Certification Program Update (DCPU) Class 1/2014
- Anti-Corruption for Executive Program (ACEP) Class 7/2013
- Advanced Audit Committee Program (AAP) Class 10/2013
- Financial Institutions Governance Program (FGP) Class 2/2011
- Audit Committee Program (ACP) Class 32/2010
- Role of the Compensation Committee Program (RCC) Class 4/2007
- Role of the Chairman Program (RCP) Class 13/2006
- Director Certification Program (DCP) Class 17/2002

Work Experiences

Positions in Listed Companies

- Mar 1, 2007 - Present Director of the Audit Committee, Bangkok Insurance Public Co., Ltd.
- Feb 27, 2007 - Present Independent Director, Bangkok Insurance Public Co., Ltd.
- Jul 7, 2020 - Present Independent Director and Chairman of the Audit Committee, Thai Reinsurance Public Co., Ltd.
- 2014 - 2020 Independent Director and Audit Committee Member, Thai Reinsurance Public Co., Ltd.
- 2012 - 2014 Director of the Remuneration and Nominating Committee, Thai Reinsurance Public Co., Ltd.
- Nov 14, 2017 - Present Independent Director and Chairman of the Risk Committee, Berli Jucker Public Co., Ltd.
- Jun 2009 - Mar 21, 2016 Independent Director, Berli Jucker Public Co., Ltd.
- Present Independent Director and Chairman of the Board (Independent Director), Audit Committee Member and Chairman of the Compensation & Nominating Committee, Univentures Public Co., Ltd.
- Present Chairman of the Remuneration Committee, Chairman of the Good Governance Committee, Independent Director and Audit Committee Member, OISHI Group Public Co., Ltd.
- Present Independent Director and Chairman of the Audit Committee, Bank of Ayudhaya Public Co., Ltd.
- Apr 2016 - Nov 2017 Independent Director and Chairman of the Audit Committee, Big C Supercenter Public Co., Ltd.

Positions in Non-listed Companies

- Nov 26, 2021 - Present Chairman of the Audit Committee, Chairman of Sustainability and Risk Management Committee, Director of the Remuneration and Nominating Committee and Lead Independent Director, Thai Beverage Public Co., Ltd., listed in Singapore Exchange (SGX)
- Feb 1, 2019 - Nov 25, 2021 Director of the Audit Committee, Thai Beverage Public Co., Ltd., listed in Singapore Exchange (SGX)
- Jan 31, 2018 - Present Independent Director, Thai Beverage Public Co., Ltd., listed in Singapore Exchange (SGX)
- Mar 2020 - Present Chairman of the Public-Sector Audit and Evaluation Committee, Office of the Anti-Corruption Commission (ONACC)
- Feb 27, 2018 - Present Honorary Member of University Council, Mae Fah Luang University
- Jun 26, 2017 - Present Vice Chairman, The Thai Institute of Directors Association (IOD)
- May 29, 2017 - Present Director, The Thai Institute of Directors Association (IOD)
- Present Member of the Council of State
- Mar 24, 2017 - Aug 2020 Qualified Member of the Committee, The Thai Investors Association
- Oct 2, 2014 - Sep 6, 2015 Member of the National Reform Council
- Apr 2010 - Jul 2013 Director, BJC Logistics and Warehouse Co., Ltd.
- Nov 2008 - Mar 2013 Chairman of the Public-Sector Audit and Evaluation Committee for Ministry of Commerce
- Apr 2007 - Jun 2020 Qualified Member of the Committee, The Federation of Thai Insurance Organization
- Oct 2006 - Mar 2008 Second Vice-President of the National Legislative Assembly
- Oct 2006 - Feb 2008 Adviser to the Commerce Ministry
- Sep 2006 - Feb 2008 Economic Adviser, the Council for National Security
- 2005 - May 2011 Sub-Commissioner, the Sub-Commission on the Development and Promotion of Public Organization and Other Organizations under Governmental Supervision, the Public Sector Development Commission
- 2002 - 2007 Chairman, Thailand Insurance Institute
- 2001 - Aug 2008 Member of the Financial Institution Policy Committee, The Bank of Thailand
- 2001 - 2006 Director-General, Department of Insurance, Ministry of Commerce
- 1999 - 2001 Inspector-General, Ministry of Commerce
- 1994 - 1999 Deputy Director-General, Department of Insurance, Ministry of Commerce



Mr. Singh Tangtaswas

Independent Director and
Chairman of the Remuneration and
Nomination Committee

Age 79 Years Old

Date of Appointment

April 26, 2004

BKI Shareholding

- 153,600 shares (as at November 26, 2021 which is the latest record date) or 0.144266% of total number of shares entitled to vote

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- M.B.A. (Finance), the Wharton School of Finance and Commerce, University of Pennsylvania
- B.A. (Economics), Thammasat University
- Certificate of Management Development Program, the Wharton School
- Certificate of Executive Development Program, Harvard Business School

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 0/2000

Work Experiences

Positions in Listed Companies

- Aug 18, 2004 - Present Chairman of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.
- Apr 26, 2004 - Present Independent Director, Bangkok Insurance Public Co., Ltd.
- 2005 - Present Executive Director, Bangkok Bank Public Co., Ltd.

- 2005 - Jan 2019 Chairman of Risk Management Committee, Bangkok Bank Public Co., Ltd.
- 2006 - 2010 Managing Director, Bangkok Bank Public Co., Ltd.
- 2004 - Present Independent Director and Chairman of the Audit Committee, Thai Optical Group Public Co., Ltd.
- 2005 - 2013 Independent Director, TWZ Corporation Public Co., Ltd.
- 1999 - 2001 President and Chief Executive Director, Krung Thai Bank Public Co., Ltd.

Positions in Non-listed Companies

- 1971 - Present Director, Kanchanadhat Co., Ltd.
- 2010 - May 2015 Director, Thai Institute of Directors Association
- 2002 - 2009 Adviser, Corporate Governance Center, The Stock Exchange of Thailand



Mr. Suvarn Thansathit

Independent Director and
Director of the Remuneration and
Nomination Committee

Age 77 Years Old

Date of Appointment

April 26, 2005

BKI Shareholding

- None

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- M.Sc. in Commerce, University of Santo Tomas, Philippines

- B.B.A. Management, University of the East, Philippines
- The Joint State Private Sector Class 355, The National Defence College of Thailand

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 63/2005

Work Experiences

Positions in Listed Companies

- Nov 16, 2005 - Present Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.
- Apr 26, 2005 - Present Independent Director, Bangkok Insurance Public Co., Ltd.
- Apr 30, 2019 - Present Member, Risk Oversight Committee, Bangkok Bank Public Co., Ltd.
- Dec 18, 2007 - Present Member, Board of Executive Directors, Bangkok Bank Public Co., Ltd.
- Oct 2006 - Present Director and Senior Executive Vice President, Bangkok Bank Public Co., Ltd.

- 2004- Apr 2019 Member, Risk Management Committee, Bangkok Bank Public Co., Ltd.
- 1996 - 2006 Senior Executive Vice President, Bangkok Bank Public Co., Ltd.
- 1990 - 1996 Executive Vice President, Bangkok Bank Public Co., Ltd.
- 1978 - 1990 Executive Officer, Bangkok Bank Public Co., Ltd.
- 2002 - Present Independent Director and Chairman of the Audit Committee, Lalin Property Public Co., Ltd.

Positions in Non-listed Companies

- Jul 23, 2020 - Present Director, Clinixir Co., Ltd.
- 2016 - Present Chairman, Bualuang Ventures Co., Ltd.
- 2006 - Present Chairman, Sinnsuptawee Asset Management Co., Ltd.



M.R. Supadis Diskul

Independent Director and
Director of the Remuneration and
Nomination Committee

Age 72 Years Old

Date of Appointment

April 26, 2013

BKI Shareholding

- None

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Master of Community and Regional Planning, North Dakota State University, U.S.A.
- B.Sc., Medical Technology, Mahidol University

- Certificate, National Defence College, The National Defence Course for the Joint State-Private Sectors, Class 15

Thai Institute of Directors Association (IOD) Training Program

- Board Nomination & Compensation Program (BNCP) Class 5/2018
- Anti-Corruption for Executive Program (ACEP) Class 11/2014
- Successful Formulation and Execution of Strategy (SFE) Class 5/2009
- Role of the Chairman Program (RCP) Class 16/2007
- Role of the Compensation Committee Program (RCC) Class 4/2007
- Director Certification Program (DCP) Class 51/2004
- Director Accreditation Program (DAP) Class 12/2004
- Finance for Non-Finance Director (FND) Class 1/2001, Class 14/2004

Work Experiences

Positions in Listed Companies

- Apr 26, 2013 - Present Independent Director and Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.
- May 2013 - Present Executive Chairman, Bangkok Aviation Fuel Services Public Co., Ltd.

- 1983 - Present Director, Bangkok Aviation Fuel Services Public Co., Ltd.
- 1983 - 2014 Managing Director, Bangkok Aviation Fuel Services Public Co., Ltd.
- 1997 - 2003 Executive Vice President, Corporate Development and Support Department, Thai Airways International Public Co., Ltd.

Positions in Non-listed Companies

- 2020 - Present Chairman, BAFS Clean Energy Corporation Co., Ltd.
- 2018 - Present Director, BAFS Intech Co., Ltd.
- 2016 - Present Chairman, BAFS Innovation Development Ltd.
- 2010 - Present Chairman, Fuel Pipeline Transportation Ltd.
- 1997 - 2006 Managing Director, Fuel Pipeline Transportation Ltd.
- 1991 - 2010 Director, Fuel Pipeline Transportation Ltd.
- 1996 - Present Director, Thai Aviation Refuelling Co., Ltd.
- 1996 - 2011 Managing Director, Thai Aviation Refuelling Co., Ltd.
- 1993 - 2015 Chairman, Intoplane Services Co., Ltd.
- 2011 - 2013 Director, BAFS International Limited
- 2004 - 2014 Director, JP-One Asset Co., Ltd.
- 2004 - 2011 Managing Director, JP-One Asset Co., Ltd.



Mrs. Nintira Sophonpanich

Independent Director and Director of
the Corporate Governance Committee

Age 56 Years Old

Date of Appointment

April 23, 2010

BKI Shareholding

- 2,949 shares (as at November 26, 2021 which is the latest record date) or 0.002770% of total number of shares entitled to vote
Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows: Spouse - Mr. Chatsiri Sophonpanich 2,949 shares

Family Relationship with Other Directors and Members of Management

- Nicec-in-law of Mr. Chai Sophonpanich

Education/Training

- M.B.A., London University CASS Business School, England
- B.Sc. Economics (Hon.) London School of Economics and Political Sciences, England
- Financial Executive Development Program (FINEX V) Class 5

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 40/2005

Work Experiences

Positions in Listed Companies

- Aug 13, 2021 - Present Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- Feb 25, 2011 - Aug 12, 2021 Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- Apr 23, 2010 - Present Independent Director, Bangkok Insurance Public Co., Ltd.
- 2008 - Present Director and Adviser to the Executive Committee, Asia Plus Group Holdings Securities Public Co., Ltd.
- 1994 - 2008 Executive Director, Asia Plus Group Holdings Securities Public Co., Ltd.

Positions in Non-listed Companies

- 2016 - Present President, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother
- 2002 - Present Director, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother
- 2016 - Present President, Srisangwan School, Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother
- 2016 - Present President, Rehabilitation Center for the People with Physical Disabilities under Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother
- 2008 - Present Director, Asia Plus Advisory Co., Ltd.
- 2003 - Present Director and Treasurer, The Queen's Gallery Foundation
- 2000 - Present Director, Bangkok BTMU Ltd.
- 1999 - Present Director and Treasurer, The Pan Pacific Southeast Asia Women's Association International
- 1991 - 1994 Investment Director, Citi Capital Co., Ltd.
- 1987 - 1990 Manager, Citicorp (Thailand) Ltd.



Mr. Panus Thiravanitkul

Director and Director of the Corporate Governance Committee and Authorized Director

Age 69 Years Old

Date of Appointment

April 22, 2011

BKI Shareholding

- 69,600 shares (as at November 26, 2021 which is the latest record date) or 0.065371% of total number of shares entitled to vote
Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows: Spouse - Mrs. Suporn Thiravanitkul 5,600 shares or 0.005260% of total number of shares entitled to vote

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- M.B.A., Chulalongkorn University
- B.Sc. (Economics), Thammasat University
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Marine Consequential Loss Insurance, Germany
- Insurance School of Japan

Thai Institute of Directors Association (IOD) Training Program

- Director Certification Program (DCP) Class 129/2010

Work Experiences

Positions in Listed Companies

- Apr 22, 2011 - Present Director, Bangkok Insurance Public Co., Ltd.
- Feb 25, 2011 - Present Director of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- Jan 1, 2019 - Present Adviser, Bangkok Insurance Public Co., Ltd.
- 2016 - 2018 Director and Chief Executive Officer, Bangkok Insurance Public Co., Ltd.
- 2011 - 2015 Director and President, Bangkok Insurance Public Co., Ltd.

- 2010 - 2015 President, Bangkok Insurance Public Co., Ltd.
- 2007 - 2009 Executive Vice President, Bangkok Insurance Public Co., Ltd.
- 2001 - 2007 Senior Vice President, Operations Department, Bangkok Insurance Public Co., Ltd.
- 2000 - 2001 General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd.
- 1993 - 2000 Assistant General Manager, Marine Insurance Department, Bangkok Insurance Public Co., Ltd.
- Dec 15, 2017 - Aug 11, 2020 Independent Director, Bangkok Life Assurance Public Co., Ltd.
- Apr 26, 2016 - Aug 11, 2020 Director and Member of the Nominating and Remuneration Committee, Bangkok Life Assurance Public Co., Ltd.

Positions in Non-listed Companies

- Dec 18, 2018 - Present Chairman, Bangkok Insurance (Lao) Company Limited
- Feb 9, 2015 - Present Director, Bangkok Insurance (Lao) Company Limited
- 1994 - 1996, 1999 - 2000 Vice Chairman, Marine and Transport Insurance Sub-Committee, The Thai General Insurance Association



Mr. Satoru Ogura

Independent Director

Age 53 Years Old

Date of Appointment

May 15, 2020

BKI Shareholding

- None

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Bachelor of Laws, Nagoya University, Japan

Thai Institute of Directors Association (IOD) Training Program

- None

Work Experiences

Positions in Listed Companies

- May 15, 2020 - Present Independent Director, Bangkok Insurance Public Co., Ltd.

Positions in Non-listed Companies

- Mar 2020 - Present Non-Executive Director, Asia Financial Holding Limited
- Apr 2019 - Present Non-Executive Director, Aioi Nissay Dowa Europe Limited
- Apr 2018 - Present Non-Executive Director and SOOA (Senior Officer outside Australia), Aioi Nissay Dowa Insurance Company Australia Pty Ltd.
- Apr 2018 - Present General Manager, Global Business Department, Aioi Nissay Dowa Insurance Company Limited
- Apr 2009 - Mar 2018 Risk & Reinsurance Coordinator, Aioi Nissay Dowa Insurance Company of Europe Ltd.



Dr. Apisit Anantanatarat

Chief Executive Officer and President and Authorized Director

Age 58 Years Old

Date of Appointment

April 22, 2016

BKI Shareholding

- 4,613 shares (as at November 26, 2021 which is the latest record date) or 0.004333% of total number of shares entitled to vote

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines
- M.A. (Industrial and Organization Psychology), Thammasat University
- M.S. (Insurance), University of Hartford, U.S.A.
- Diploma of Financial Service (General Insurance), ANZIIIF (Senior Associate), Australia

- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.
- Super Insurance Leadership Program Class 1/2020
- Certificate, Capital Market Academy Leadership Program (CMA), Class 24/2017
- Thailand Insurance Leadership Program Class 3/2013
- Workshop Seminar on Cyber Resilience Leadership: Herd Immunity for the Financial Sector's Organization's Directors for 2021, Office of Insurance Commission
- Aon's 16th Hazards Conference 2019, Australia
- From Science Fiction to Reality: Man and Man - Made Risks 2018, R + V Re, Germany
- CIO VMware World Conference 2017, Spain
- New Forms of Risk Sharing and Risk Engineer, SCOR, France
- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland
- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 149/2018

Work Experiences

Positions in Listed Companies

- Mar 2020 - Present Chief Executive Officer Director and President,

Bangkok Insurance Public Co., Ltd.

- Jan 1, 2019 - Feb 2020
Chief Executive Officer and Director, (Acting President)
Bangkok Insurance Public Co., Ltd.
- Apr 22, 2016 - Dec 31, 2018 Director and President, Bangkok Insurance Public Co., Ltd.
- Jan - Apr 21, 2016 President,
Bangkok Insurance Public Co., Ltd.
- Apr 2012 - Dec 2015
Executive Vice President,
Bangkok Insurance Public Co., Ltd.
- 2011 - Apr 2012 Senior Vice President,
Marketing and Communications Department,
Bangkok Insurance Public Co., Ltd.
- 2009 - Mar 2014, Oct 2015 - May 8, 2016
Senior Vice President, Information Technology
Department, Bangkok Insurance Public Co., Ltd.
- 2007 - 2015 Senior Vice President,
Personal Lines Business Unit,
Bangkok Insurance Public Co., Ltd.
- 2006 - 2007 First Vice President,
Personal Lines Division,
Bangkok Insurance Public Co., Ltd.
- 2005 - 2009 First Vice President,
Information Technology Department,
Bangkok Insurance Public Co., Ltd.
- 2002 - 2006 Vice President,
Human Resources Development Division,
Bangkok Insurance Public Co., Ltd.
- 2000 - 2002 Assistant Vice President,
Human Resources Development Division,
Bangkok Insurance Public Co., Ltd.
- Apr 2021 - Present Director,
Thai Reinsurance Public Co., Ltd.

Positions in Non-listed Companies

- Jun 16, 2021 - Present Director,
Asia Insurance (Cambodia) Plc.
- May 24, 2016 - Present Director,
Thai ORIX Leasing Co., Ltd.



Mrs. Srichittra Pramojaney

Executive Vice President

(Retired on January 1, 2022)

and Company Secretary

Age 64 Years Old

Chief Financial Officer (CFO):

January 16, 2006 – December 31, 2021

Chief Accountant:

January 16, 2006 – June 15, 2020

Company Secretary: Jun 2015 – Present

BKI Shareholding

- 37,860 shares (as at November 26, 2021 which is the latest record date) or 0.035559% of total number of shares entitled to vote

Family Relationship with Other Directors and Members of Management

- None

Education/Training

- M.B.A. University of North Texas, U.S.A.
- B.B.A. (Accounting), Thammasat University
- 12th Asian Insurance CFO Summit 2018, Hong Kong
- 11th Asian Insurance CFO Summit 2017, Hong Kong
- 10th Anniversary Asian Insurance CFO Summit 2016, Thailand
- 9th Asian Insurance CFO Summit 2015, Hong Kong
- 8th Asian Insurance CFO Summit 2014, Singapore
- 7th Asian Insurance CFO Summit 2013, Hong Kong

Thai Institute of Directors Association (IOD) Training Program

- Company Reporting Program (CRP) Class 18/2017
- Board Reporting Program (BRP) Class 19/2016
- Effective Minute Taking (EMT) Class 31/2015
- Company Secretary Program (CSP) Class 61/2015

Work Experiences

Positions in Listed Companies

- Jun 2016 – Dec 2021 Executive Vice President, Bangkok Insurance Co., Ltd.
- Jun 2015 – Present Company Secretary, Bangkok Insurance Co., Ltd.
- 2006 – Jun 2021 Senior Vice President, Accounting and Treasury Department, Bangkok Insurance Co., Ltd.

Positions in Non-listed Companies

- Apr 2018 – Present Director, Bangkok Insurance (Lao) Co., Ltd.

Duties and Responsibilities of Company Secretary

- Details in the section Company Secretary

Mr. Virasak Sutanthavibul

Independent Director and Chairman of the Corporate Governance Committee and Director of the Remuneration and Nomination Committee

(Resigned as from February 18, 2021)

Mr. Thongchai Ananthothai

Independent Director and Director of the Corporate Governance Committee

(Appointed on April 23, 2021)

(Resigned as from January 25, 2022)

BOARD OF DIRECTORS

BOARD OF DIRECTORS

Chairman

Mr. Chai Sophonpanich

Directors

VDC Col Plengsakdi Prakaspesat

Mr. Chor.nun Petpaisit

Miss Potjaneer Thanavarani

Mr. Singh Tangtaswas

Mr. Suvarn Thansathit

M.R. Supadis Diskul

Mrs. Nintira Sophonpanich

Mr. Panus Thiravanitkul

Mr. Satoru Okura

Dr. Apisit Anantanatarat

Mr. Thongchai Ananthothai (Appointed on April 23, 2021)

(Resigned as from January 25, 2022)

Mr. Virasak Sutanthavibul (Resigned as from February 18, 2021)

Company Secretary

Mrs. Srichittra Pramojaney

Audit Committee

Chairman

VDC Col Plengsakdi Prakaspesat

Members

Mr. Chor.nun Petpaisit

Miss Potjaneer Thanavarani

Remuneration and Nomination Committee

Chairman

Mr. Singh Tangtaswas

Members

Mr. Suvarn Thansathit

M.R. Supadis Diskul

Mr. Virasak Sutanthavibul (Resigned as from February 18, 2021)

Corporate Governance Committee

Chairman

Mrs. Nintira Sophonpanich (Appointed on August 13, 2021)

Members

Mr. Panus Thiravanitkul

Mr. Thongchai Ananthothai (Appointed on April 23, 2021)

(Resigned as from January 25, 2022)

Mr. Virasak Sutanthavibul (Resigned as from February 18, 2021)

The Risk Management Committee

Chairman

Dr. Apisit Anantanatarat

Vice Chairman

Mr. Suphat Yookongbandhu

Members

Mr. Anon Vangvasu

Mr. Sorat Vonganankij

Mr. Suphachai Assawaraks (Appointed on February 28, 2022)

Mrs. Srichittra Pramojaney (Retired on January 1, 2022)

The Investment Committee

Chairman

Mr. Chai Sophonpanich

Members

Mr. Panus Thiravanitkul

Dr. Apisit Anantanatarat

Mr. Ekamol Aungkavattana

Mr. Suphachai Assawaraks (Appointed on February 28, 2022)

Mrs. Srichittra Pramojaney (Retired on January 1, 2022)

Product Governance Committee

Chairman

Dr. Apisit Anantanatarat

Members

Mr. Yingyot Sangchai

Mr. Chaiyot Soonhoa

Mr. Tirathana Visetbhakdi

Miss Umaporn Hualbuttar

Mr. Thaveewong Chotemaneeopon

Mr. Kitiskak Suriyaratapimol

Mrs. Natsaran Woraratpanya

Mr. Yutthachai Isswanish (Appointed on February 28, 2022)

Miss Patthamon Boonmee (Resigned as from November 15, 2021)

MANAGEMENT COMMITTEE AND MANAGEMENT COMMITTEE PROFILE



**Miss Paveena
Juchuan**

**Mr. Jakkrit
Chewanuntapornchai**

**Mr. Suphat
Yookongbandhu**

**Dr. Apisit
Anantanarat**

**Mr. Chai
Sophonpanich**

**Mr. Chawan
Sophonpanich**



**Mr. Tassapong
Budsayaplakorn**

**Miss Lasa
Sophonpanich**

**Mr. Theerayut
Kitvoraphat**

**Mr. Yingyot
Sangchai**

**M.L. Chalitpong
Sanidvong**

**Mr. Suphachai
Assawaraks**

Dr. Apisit Anantanarat

Chief Executive Officer and President and
Authorized Director

BKI Shareholding

- 4,613 shares (as at November 26, 2021 which is the latest record date) or 0.004333% of total number of shares entitled to vote

Commence

April 1985

Family Relationship with Other Directors and Members of Management

- None

Education

- Doctor of Organization Development and Transformation, Cebu Doctors' University, Philippines
- M.A. (Industrial and Organization Psychology), Thammasat University
- M.S. (Insurance), University of Hartford, U.S.A.
- Diploma of Financial Service (General Insurance), ANZIIIF (Senior Associate), Australia
- Certificate, The Columbia Senior Executive Program, Columbia University, U.S.A.
- Thailand Insurance Super Leadership Program Class 1/2020
- Certificate, Capital Market Academy Leadership Program (CMA), Class 24/2017
- Thailand Insurance Leadership Program Class 3/2013

Thai Institute of Directors Association (IOD) Training Program

- Director Accreditation Program (DAP) Class 149/2018

Training

- Workshop Seminar on Cyber Resilience Leadership: Herd Immunity for the Financial Sector's Organization's Directors for 2021, Office of Insurance Commission
- Aon's 16th Hazards Conference 2019, Australia
- From Science Fiction to Reality: Man and Man - Made Risks 2018, R + V Re, Germany
- CIO VMware World Conference 2017, Spain
- New Forms of Risk Sharing and Risk Engineer, SCOR, France
- Management Development Program - Fit for Expert Underwriting, Swiss Insurance Training Centre, Switzerland
- Management Development Program - Fit for Management, Swiss Insurance Training Centre, Switzerland

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Mar 2020 - Present Chief Executive Officer and President
- Jan 1, 2019 - Feb 2020 Chief Executive Officer and Director, (Acting President)
- Apr 22, 2016 - Dec 31, 2018 Director and President
- Jan 1 - Apr 21, 2016 President
- Apr 2012 - Dec 2015 Executive Vice President
- 2011 - Apr 2012 Senior Vice President, Marketing and Communications Department
- 2009 - Mar 2014, Oct 2015 - May 8, 2016 Senior Vice President, Information Technology Department

- 2007 - 2015 Senior Vice President, Personal Lines Business Unit
- 2006 - 2007 First Vice President, Personal Lines Division
- 2005 - 2009 First Vice President, Information Technology Department
- 2002 - 2006 Vice President, Human Resources Development Division
- 2000 - 2002 Assistant Vice President, Human Resources Development Division

Others

- Jun 16, 2021 - Present Director, Asia Insurance (Cambodia) Plc.
- Apr 2021 - Present Director, Thai Reinsurance Public Co., Ltd.
- May 24, 2016 - Present Director, Thai ORIX Leasing Co., Ltd.

Mr. Suphat Yookongbandhu

Executive Vice President

BKI Shareholding

- 69,409 shares (as at November 26, 2021 which is the latest record date) or 0.065191% of total number of shares entitled to vote
- Remarks: Inclusive of Relatives' stock under Section 258 of the S.E.C. Act. B.E. 2535, as follows: Spouse - Mrs. Warunee Yookongbandhu 43,399 shares or 0.040762% of total number of shares entitled to vote

Commence

August 1980

Family Relationship with Other Directors and Members of Management

- None

Education

- B.B.A. (Marketing), Assumption University
- Associate of the Insurance Institute of New Zealand (NZII), New Zealand

Training

- Miscellaneous Casualty Insurance, ISJ, Japan
- Advanced Course in General (Non-Life) Insurance, Swiss Insurance Training Centre, Switzerland
- Insurance Management Development Program (IMDP)

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Apr 2012 - Present Executive Vice President
- Aug 25, 2021 - Present Senior Vice President, Non-Motor Claims Department
- Oct 2015 - Present Senior Vice President, Corporate Risk Management Division
- 2007 - 2016 Senior Vice President, Broker Business Unit
- 2005 - 2007 First Vice President, Broker Division
- 2001 - 2005 Vice President, Broker Division
- 1994 - 2001 Manager, Miscellaneous Insurance Department

Others

- Nov 2, 2012 - Present Director, Asia Insurance (Cambodia) Plc.

Mr. Jakkrit Chewanuntapornchai

Executive Vice President

BKI Shareholding

- None

Commence

August 1982

Family Relationship with Other Directors and Members of Management

- None

Education

- M.B.A., Chulalongkorn University
- B.Sc. (Statistics), Chulalongkorn University

Training

- General Insurance & Insurance Management, IIAP, Philippines
- Alois - Alzheimer Scholarship, Munich Re, Germany
- MARSH Overseas Clients' Course 2001, England

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jan 2019 - Present Executive Vice President
- Apr 2020 - Present Senior Vice President, Agent Business Unit
- Oct 2015 - Present Senior Vice President, Financial Institution Business Unit
- 2007 - Sep 2015 Senior Vice President, Commercial Lines Business Unit
- 2001 - 2007 Vice President, Direct Customer Division
- 1998 - 2001 Vice President, Non-Motor Claims Department

Others

- Feb 2015 - Present Managing Director, Bangkok Insurance (Lao) Co., Ltd.

Miss Paveena Juchuan

Executive Vice President

BKI Shareholding

- None

Commence

August 1992

Family Relationship with Other Directors and Members of Management

- None

Education

- Master of Science (Insurance and Risk Management), Cass Business School, City, University of London, England
- B.B.A. (Insurance), Assumption University
- Advanced Diploma in Insurance (ACII), The Chartered Insurance Institute (CII)

Training

- TransRe International Management Program: Partnership for Success, New York, U.S.A.

- Mini M.B.A., Center for Business Innovation, NIDA Business School
- Comprehensive Technical Programme in General Insurance-National Insurance Academy, Pune, India

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jan 2019 - Present Executive Vice President
- 2016 - Present Senior Vice President, Commercial Lines Business Unit
- Nov 2013 - 2015 First Vice President, Commercial Lines Business Unit
- Oct 2010 - Oct 2013 Vice President, Special Risk Business Unit

Mr. Chawan Sophonpanich

Executive Vice President

BKI Shareholding

- 438,181 shares (as at November 26, 2021 which is the latest record date) or 0.411553% of total number of shares entitled to vote

Commence

March 2004

Family Relationship with Other Directors and Members of Management

- Son of Mr. Chai Sophonpanich
- Elder Brother of Miss Lasa Sophonpanich

Education

- B.A. (Economics), University of Rochester, U.S.A.
- Risk and Insurance Certificate, St.John's University, U.S.A.

Training

- Business Interruption/Contingent BI, Scor Re, France
- Lloyd's Asia Underwriters & Broker Forum, Singapore College of Insurance (SCI), Singapore
- Customer Management Asia, Marcus, Malaysia
- AIOI Insurance Seminar, AIOI Insurance, Japan
- The 2004 Mitsui Sumitomo Re, Sumitomo, Japan

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jan 22, 2020 - Present Executive Vice President
- Mar 1, 2022 - Present Senior Vice President, Personal Lines Business Unit (Acting)
- Jan 28, 2020 - Present Senior Vice President, Human Resources Department
- Jan 22, 2020 - Present Senior Vice President, Corporate Branding Office
- Feb 2019 - Jan 21, 2020 Senior Vice President, Office of Chairman
- Jan 2016 - Jan 2019 Senior Vice President, Personal Lines Business Unit
- Mar 2014 - 2015 Vice President, Office of President
- 2012 - Mar 2014 Vice President, Personal Lines Business Unit

Miss Lasa Sophonpanich

Senior Vice President

BKI Shareholding

- 523,425 shares (as at November 26, 2021 which is the latest record date) or 0.491617% of total number of shares entitled to vote

Commence

April 2011

Family Relationship with Other Directors and Members of Management

- Daughter of Mr. Chai Sophonpanich
- Younger Sister of Mr. Chawan Sophonpanich

Education

- Master's Degree in International Affairs, Columbia University, U.S.A.
- Bachelor's Degree in International Relations & Chinese, Wellesley College, U.S.A.
- Certificate in Insurance, The Chartered Insurance Institute (CII)

Training

- Advanced Reinsurance Workshop - Munich Reinsurance Company, Germany
- Business Interruption/Contingent BI, Scor Re, France
- P & C Reinsurance, France
- Munich Reinsurance Company - DART, Singapore
- Reinsurance Seminar of the TOA, Japan

Work Experiences

Bangkok Insurance Public Co., Ltd.

- 2017 - Present Senior Vice President, Broker Business Unit
- 2016 Vice President, Broker Business Unit
- Jul 2014 - 2015 Assistant Vice President, Treaty Operations Office
- Apr 2012 - Jun 2014 Assistant Vice President, Broker Business Unit

Others

- Feb 26, 2020 - Present Chairman and Chairman of Investment Committee, Aioi Bangkok Insurance Public Co., Ltd.

M.L. Chalitpong Sanidvong

Senior Vice President

BKI Shareholding

- None

Commence

April 2017

Family Relationship with Other Directors and Members of Management

- None

Education

- M.B.A., Chulalongkorn University
- B.Eng. (Electrical Engineering), King Mongkut's Institute of Technology Ladkrabang

Training

- Fujitsu Asia Conference, Tokyo, Japan
- IT Trends: Seminar 2018: Asia's Rising Power, Singapore
- Transform to Your Right Mix of Hybrid IT, Hewlett Packard Enterprise (HPE) CIO Forum 2017
- Digital Transformation for Insurance, IMC Institute
- Aruba Atmosphere, Singapore
- SCB Management Program
- CISCO, Executive Briefing Center, U.S.A.
- Huawei, Executive Briefing Center, China

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Apr 3, 2017 - Present Senior Vice President, Information Technology Department

Others

- 2008 - 2017 Vice President, IT Network Management, Siam Commercial Bank Public Co., Ltd.

Mr. Yingyot Sangchai

Senior Vice President

BKI Shareholding

- None

Commence

January 2018

Family Relationship with Other Directors and Members of Management

- None

Education

- Master's Degree in M.B.A. (Business Administration), Burapa University
- Bachelor's Degree in Science (Physics), Kasetsart University

Training

- Creative and Innovative Thinking
- Six-Sigma Black Belt
- Bullet Proof® Manager
- Finance for Non-Finance, Singapore
- Lean & Six Sigma Manufacturing
- ISO 9000 Lead Assessor, Singapore
- Statistical Quality Control Technique
- 7th Asia Motor Insurance and Claims Management Conference
- 4th ASEAN Insurance Summit

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jun 2019 - Present Senior Vice President, Motor Claims Department
- Jan 2018 - May 2019 First Vice President, Motor Claims Department

Others

- Apr 2011 - Dec 2017 Deputy General Manager, SMR Automotive System (Thailand) Co., Ltd.

Mr. Theerayut Kitvoraphat

Senior Vice President

BKI Shareholding

- None

Commence

January 2020

Family Relationship with Other Directors and Members of Management

- None

Education

- M.B.A., Thammasat University
- Bachelor of Accountancy, Bangkok University

Training

- Executive Development Program 2
- Bangkok Bank Executive and Financial Institutions Seminar (Finex 25th Generation)
- Step Project, Japan

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jan 2, 2020 - Present Senior Vice President, Branch Network and Ventures

Others

- 2006 - 2019 Regional Manager, Bangkok Bank Public Co., Ltd.

Mr. Suphachai Assawaraks

Senior Vice President

(Appointed on July 1, 2021)

BKI Shareholding

- 100 shares (as at November 26, 2021 which is the latest record date) or 0.000094% of total number of shares entitled to vote

Commence

September 2019

Family Relationship with Other Directors and Members of Management

- None

Education

- M.A. Finance and Investment, University of Nottingham, England
- M.B.A., Thammasat University
- Advanced Diploma of Auditing, Thammasat University
- Bachelor of Accounting, Chulalongkorn University

Training

- e-Learning CFO's Orientation for New IPOs

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Jan 1, 2022 - Present Chief Financial Officer (CFO)
- Jul 2021 - Present Senior Vice President, Accounting and Treasury Department
- Jun 16, 2020 - Present Senior Vice President, Accounting and Treasury Department, Chief Accountant
- Sep 2019 - Jun 2021 First Vice President, Accounting and Treasury Department

Others

- 2007 - 2015, 2017 - 2019 Senior Manager, Finance and Accounting Department, DHL Supply Chain Thailand

- 2015 - 2017 Vice President, Accounting, SC Group of Companies
- 2004 - 2007 Service Delivery Manager, Finance Shared Service Center Asia Pacific, Royal Philips N.V.

Professional Certificate

- 1996 - Present Certified Public Accountant of Thailand, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Mr. Tassapong Budsayaplakorn

Senior Vice President

(Appointed on March 1, 2022)

BKI Shareholding

- None

Commence

August 2020

Family Relationship with Other Directors and Members of Management

- None

Education

- Master of Science, Actuarial Science, Boston University, U.S.A.
- Bachelor's Degree in Economics Chulalongkorn University

Training

- 4th ASEAN Insurance Summit

Work Experiences

Bangkok Insurance Public Co., Ltd.

- Mar 1, 2022 - Present Senior Vice President, Financial Institution Business Unit
- Mar 1, 2022 - Present Senior Vice President, Personal Lines Business Unit (Acting)
- Aug 17, 2020 - Feb 28, 2022 First Vice President, Financial Institution Business Unit

Others

- 2010 - 2020 First Vice President, Bancassurance Business Management Department, Kasikornbank PCL.
- 2009 - 2010 Vice President, Bancassurance Business Management Department, Kasikornbank PCL.
- 2005 - 2008 Assistance Vice President, Bancassurance Business Management Department, Kasikornbank PCL.
- 2003 - 2004 Vice President, Business Development Department, Thai Cardif Life Assurance Co., Ltd.
- 2001 - 2003 Team Manager, Bancassurance Marketing Department, Muang Thai Life Assurance Co., Ltd.
- 1998 - 2000 Market and Operation Research Officer, Corporate Planning Department, Muang Thai Life Assurance Co., Ltd.

Mrs. Srichitra Pramojaney

Executive Vice President (Retired on January 1, 2022)
and Company Secretary

Mr. Sarawut Deesomboon

Senior Vice President (Resigned as from August 31, 2021)

Mr. Pitiphong Chaochaikhong

Senior Vice President (Resigned as from March 1, 2022)

FIRST VICE PRESIDENT AND VICE PRESIDENT

- | | |
|-----------------------------------|------------------------------------|
| 1. Mr. Alonggorn Gradtip | 28. Miss Pranee Komonkawin |
| 2. Mr. Anawaj Saibang | 29. Miss Rangsimarath Thongdeekam |
| 3. Miss Anchalee Pakornlerttrakul | 30. Miss Rataya Singh |
| 4. Mr. Anek Keereesathien | 31. Miss Ratchada Wongsomboon |
| 5. Mr. Chaiyot Soonhoa | 32. Mrs. Rujirath Panyakiattikun |
| 6. Mr. Chatchai Arayawanichkul | 33. Mr. Sarayuth Apaipim |
| 7. Mr. Jade Thongpradista | 34. Miss Sasamon Santisuk |
| 8. Mr. Jirawong Thantachote | 35. Mr. Sathaphorn Rurkdee |
| 9. Mr. Kannasootr Homjan | 36. Miss Sirirath Ojarutip |
| 10. Mr. Kitisak Suriyaranapimol | 37. Mr. Sithikul Arayavechakit |
| 11. Mrs. Kornkaew Eiamkul | 38. Mr. Somboon Kariklin |
| 12. Mr. Kraiwut Chombhucotra | 39. Mr. Suchat Sinsuriya |
| 13. Miss Natsaran Woraratpanya | 40. Mrs. Sumana Trongtranon |
| 14. Mr. Natthajak Santatilokkul | 41. Miss Sutida Malila |
| 15. Mrs. Netnapit Poolsap | 42. Mr. Tawee Kvanthong |
| 16. Mr. Pairin Chaibenjapol | 43. Mr. Teerawat Jaturavit |
| 17. Mr. Paisan Vohakiat | 44. Miss Thitiporn Boonyusthian |
| 18. Miss Pamornthip Petchkum | 45. Mr. Tirathana Visetbhakdi |
| (Appointed on August 16, 2021) | 46. Miss Tusaneeya Uppalawanna |
| 19. Miss Pantita Panyamee | 47. Miss Umaporn Hualbuttar |
| 20. Mrs. Pattraporn Therdchanakul | 48. Mr. Varit Unprasertporn |
| 21. Mr. Pattraradanai Inpongnuwat | 49. Miss Walailuck Phochakaparipan |
| 22. Miss Paviga Rawdyoo | 50. Mr. Wera Virojsirasak |
| 23. Mr. Peerapat Thawornniti | 51. Miss Wilai Lertritpuwadol |
| 24. Miss Pisamai Wiphatkrut | 52. Mr. Wiwat Panyakiattikun |
| 25. Mr. Pisit Kidcharoensuk | 53. Miss Wongduan Meepien |
| 26. Miss Pornpen Deekul | (Appointed on March 11, 2022) |
| 27. Mrs. Pornpimon Sutatipkul | 54. Mr. Yongyuth Tangtrongpairoj |

Remarks: Retired on January 1, 2021

- | | |
|--------------------------------|-------------------------------|
| 1. Mr. Charun Jongudomporn | 4. Mr. Surasak Xuto |
| 2. Mr. Kiettisak Sirilikitchai | 5. Mr. Vichien Moleewon |
| 3. Mr. Songkiat Nualon | 6. Mrs. Waraporn Dhanisornkul |

REPORT OF THE AUDIT COMMITTEE

Bangkok Insurance Public Company Limited's Audit Committee, consisting of 3 independent directors, each with a three-year term, is comprised of VDC Col Plengsakdi Prakaspesat, Committee Chairman, and Miss Potjanee Thanavarani and Mr. Chor.nun Petpaisit, Committee Members.

In 2021, the Audit Committee convened 4 meetings, attended by the Chief Executive Officer, Executive Vice President of Accounting and Treasury Department and Company Secretary, and First Vice President of Internal Audit Office. It further convened another 2 meetings with independent auditors without the attendance of the Company's management to implement duties assigned by the Board of Directors as summarized below:

1. **Reviewing of the Financial Statements.** The Audit Committee, along with the Company's management and independent auditors, has examined the Company's quarterly and annual financial statements to ensure that they are accurately and properly established in accordance with Thai Financial Reporting Standards. Simultaneously, data is sufficiently and reliably disclosed. In addition, the Committee has made suggestions for an improvement and conducted follow-up checks for the Company's benefit.
2. **Supervising the Company's Internal Control System and Performance Corresponding to the Provisions of Law.** The Audit Committee has examined and approved the audit plan of the Internal Audit Office for 2021, examined the report on audit consequences based on the plan, as well as made suggestions for the efficiency and effectiveness of the Internal Audit Office's performance, in addition to exchanging opinions and providing advice to the Company's management in order to follow up with improvement on significant issues according to an audit report. This is to ensure that the Company has a good internal control system and practices that comply with the relevant laws and regulations.
3. **Checking to Prevent a Conflict of Interest.** The Audit Committee has examined interrelated parties transactions of companies and persons concerned that may generate

a conflict of interest with the Company. This is to ensure business transparency and actual transactions for normal business practices, which does not significantly affect the Company.

4. **Selecting and Proposing an Appointment of Auditor.**

The Audit Committee has considered and proposed to the Company's Board of Directors for approval from the shareholders' meeting for the appointment of Miss Rachada Yongsawadvanich and/or Miss Ratana Jala and/or Miss Somjai Khunapasut and/or Miss Narisara Chaisuwan of EY Office Limited as auditors for the year 2021, with the remuneration of Baht 2,850,000.

5. **Performing Other Duties.** The Audit Committee has supervised and provided recommendations to the Company's management in terms of managerial issues to engender an appropriate inspection and a checks-and-balance mechanism. It also adheres to the principles of good corporate governance policy so as to create confidence among shareholders, investors and all parties concerned.

The Audit Committee has considered and found that the Company implemented a good corporate governance policy and established a proper and effective internal control system. Similarly, the Company has efficient risk management and interrelated items that are commercially regular transactions. In addition, the Company has performed its operations in compliance with the relevant laws and regulations, and established accurate and proper financial statements while disclosing complete and correct information on par with accounting measures, and having a reliable system of good corporate governance.



(VDC Col Plengsakdi Prakaspesat)
Chairman of the Audit Committee

REPORT OF THE REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee has been assigned the duty to ensure that the Company has an appropriate structure of the Board of Directors, as well as the appropriate number of its members necessary for the Company to carry on its business activities and objectives, select a suitable and qualified person to supersede a Board member, the Chief Executive Officer and the President in case of completing his term, resignation or other reasons. The Committee has also been assigned to ensure that the Company has well-defined compensation policies and benefits for directors and officers to perform their duties effectively and efficiently. Realizing that the nomination of competent persons to the Company's key positions has efficiently helped advance the achievement of its vision and policies, coupled with the fact that proper remuneration is a factor generating an incentive for one to perform effectively, the Board of Directors, in 2021, had appointed one director to replace the director who resigned from the Board to oversee the Company's administration, apart from generating

the operating performance benefiting shareholders and all groups of stakeholders, through the nomination of the Company's outsiders.

The Remuneration and Nomination Committee has performed duties assigned to it in a prudent, cautious and reasonable manner, taking into account the remuneration based on both internal and external factors, compared to the Company's defined targets. As a consequence, for consideration of Board members' remuneration in 2021, the remuneration was defined at the shareholders' meeting at Baht 16,000,000 equal to that in 2020.

In 2021, the Remuneration and Nomination Committee convened 2 meetings and disclosed the remuneration of the Company's Board members and management in the Company's annual report for transparency of an examination.



(Mr. Singh Tangtaswas)
Chairman of the Remuneration
and Nomination Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Bangkok Insurance Public Company Limited's Board of Directors has given considerable importance to the principle of corporate governance since it realizes that a corporate governance system ensures organizational management that is transparent, accurate, fair and examinable. As a consequence, the Company's business transactions are based on the principle of ethics and good corporate governance in parallel with responsibilities to society and the environment, aimed at the efficient and effective development of the Company's management, generating confidence and trust among shareholders, investors, stakeholders and all parties concerned, leading to business prosperity and progress, together with the Company's participation in sustainable social development.

The Company's Board of Directors has appointed the Corporate Governance Committee, comprising 3 members, each with a three-year term, namely, Mrs. Nintira Sophonpanich, Committee Chairman, Mr. Thongchai Ananthothai and Mr. Panus Thiravanitkul, Committee Members, to have duties on and responsibilities for considering, defining and reviewing the Company's policy on good corporate governance and the morality of business performance, apart from overseeing to ensure that the Company's Board directors, executives and employees perform based on the principle of good corporate governance, and providing recommendations to the Board concerning a guideline for good corporate governance.

In 2021, the Corporate Governance Committee had arranged a meeting one time to follow up the Company's performance on good corporate governance, responsibilities to society and the environment, as well as sustainable development. A summary of its activities is listed below.

1. To consider, review and improve the Company's policy on good corporate governance so that it is appropriate and up-to-date, through an addition of the Company's Board's authority of approval of the implementation of information technology, an increase in the Audit Committee's duties and responsibilities, an augmentation of practice guidelines for facilitation fees and employment of government officials/employees, aimed at being in compliance with the principle of good corporate governance and the Office of Insurance Commission (OIC)'s declarations, apart from raising the Company's business transaction standards to generate fairness and transparency, creating profits and increasing long-term value for its shareholders.
2. To consider and review the application of the SEC's practices based on the principle of good corporate governance for listed companies for 2017 (CG Code) to the Company's business context, aimed at the Company's business transactions having long-term sound operating results and generating sustainable value, apart from disclosing such information in the annual report presentation form/the Company's annual report (Form 56-1 One Report).

3. To consider and review the Company's policy on investment corporate governance (I Code) in accordance with the financial and investment condition, besides a changing practice guideline for corporate governance, both at the national and international levels, through an addition of a guideline for the implementation of sustainable investment business transactions, with consideration of an investing company's ESG factors.
4. To oversee and support the Company's performance based on the principle of good corporate governance, resulting in the Company's corporate governance assessment score for listed companies based on the Corporate Governance Report of Thai Listed Companies (CGR) for 2021, organized by the IOD, at an "Excellence" level.
5. To consider and review the Company's ethics of business transactions, aimed at being a strict performance guideline for the Company's Board directors, executives and employees, apart from the training on knowledge of the Company's ethics of business transactions for all levels of the Company's employees.
6. To consider the performance consequence of the Company's responsibilities to society and the environment by providing recommendations on carrying out activities to help society and the environment, which is part of good corporate governance displaying the Company's responsibilities to society and the environment, which should get support and a rally for further public relations.
7. To consider, encourage and support the Company's Board's performance evaluation once a year of the entire Board, an individual Board director, and committees so that the evaluation consequence will be used to develop the Company's Board directors' duty performance.
8. To oversee and support the Company's shareholders' general meeting to ensure its transparency, with consideration of all groups of shareholders' rights and equality, continuously resulting in the Company's score in 2021, for a quality evaluation of the Company's shareholders' general meeting (AGM Checklist) organized by the Thai Investors Association, being 100 out of a total of 100, or Excellence and Appropriate as an Example.

The Company's Corporate Governance Committee is determined to constantly develop its good corporate governance system in parallel with responsibilities to society and the environment, aimed at promoting and boosting the standard of the Company's good corporate governance principle so that it is universally acceptable.



(Mrs. Nintira Sophonpanich)
Chairman of the Corporate Governance Committee

FINANCIAL REPORTS AND FINANCIAL STATEMENTS

REPORT ON THE BOARD OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Bangkok Insurance Public Company Limited Board of Directors is responsible for the Company's financial statements, as well as financial information technology appearing in the annual financial statements. Such statements have been prepared in accordance with accounting principles and practices generally accepted in Thailand. In this regard, the Board of Directors has selected an appropriate accounting policy and constantly implemented it with cautious discretion and a reasonable estimation principle. Furthermore, significant data is sufficiently disclosed in notes of the financial statements.

The Board of Directors also provides and maintains an effective internal control system, as well as an appropriate and efficient risk management system to ensure that the recording of accounting data is accurate, complete, timely and adequate for the protection of the Company's assets and the prevention of fraud and malpractices, while disclosing interrelated items to avoid any conflict of interests, as well as complying with the laws and regulations concerned. In this connection, the Audit

Committee, consisting of independent directors, is assigned by the Board of Directors to oversee, take responsibility for and continuously report the consequences to the Board. The Audit Committee's opinions on these issues have already appeared in its report, which is displayed in the Company's annual report.

The Company's Board of Directors is of the opinion that the internal control system of the Company is adequate and appropriate generating justified confidence in the reliability of the Company's financial statements as at December 31, 2021. The Company's independent auditor has also audited in accordance with generally accepted auditing standards and is of the opinion that the Company's financial statements referred to above present fairly, in all material respects, its financial position, operational consequences and cash flows in accordance with financial statements standards. The independent auditor has audited and given her opinions in the auditor's report, which is displayed in the Company's annual report.



(Mr. Chai Sophonpanich)
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Bangkok Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements of Bangkok Insurance Public Company Limited ("the Company"), which comprise the statement of financial position, in which the equity method is applied, as at December 31, 2021, and the related statements of comprehensive income, changes in owner's equity and cash flows, in which the equity method is applied, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and also audited the separate financial statements of Bangkok Insurance Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Insurance Public Company Limited as at December 31, 2021, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter were described below.

Gross premium written

In 2021, the Company had gross premium written of Baht 24,511 million. The Company accepted insurance from retail customers through brokers and agents and there have been a large number of insurance policies written. Calculation and recognition of gross premium written as earned revenue were dependent upon the information technology (IT) systems. I therefore focused on examining that gross premium written was correctly recognised as actually incurred.

I assessed and tested, on a sampling basis, the IT general controls relevant to recognition of gross premium written. I checked, on a sampling basis, key data in reports relevant to insurance premium and reviewed the insurance policies and endorsement transactions occurring during the accounting period and after the reporting period-end. In addition, I performed analytical procedures on gross premium written, which were disaggregated by insurance types, and tested key manual adjustments made through journal vouchers.

Loss reserves

As at December 31, 2021, the Company had loss reserves of Baht 7,689 million (included as a part of insurance contract liabilities). Loss reserves included both claims incurred and reported and claims incurred but not yet reported. Such reserves were calculated using actuarial method, which involved certain assumptions that required the management to exercise a high level of considerable judgment in estimation of such reserves. I therefore focused on adequacy of loss reserves.

I assessed and tested, on a sampling basis, the operation of the Company's internal controls relevant to recognition of loss reserves. I assessed and tested, on a sampling basis, key assumptions and calculation of loss reserves. I checked, on a sampling basis, claim data against documents of major claims. I performed analytical procedures on frequency of claims and average loss per claim. Furthermore, I involved the experts to perform an independent actuarial review of certain model points used in calculation of loss reserves.

Allowance for expected credit losses

As at December 31, 2021, the Company had loans and interest receivables amounting to Baht 1,457 million (before allowance for expected credit losses). In estimating allowance for expected credit losses (ECL) on such loans and interest receivables, the management shall exercise judgment in determining significant increases in each debtor's credit risk and considering selection of assumptions such as the rates of loss given default and the rates of probability of default, etc. used in the ECL calculation model. Such an estimation related to forecast and is uncertain. I therefore focused on adequacy of allowance for expected credit losses on such loans and interest receivables.

I gained an understanding of the ECL calculation model and the staging based on changes in credit risk of debtors, assessed and tested on data used in staging, and tested data used in the ECL calculation model with respect to the rates of loss given default and the rates of probability of default, including the calculations according to such model.

Fair value of investment in equity securities

The Company had investments in non-marketable equity securities, which were classified as available-for-sale investments measured at fair value through other comprehensive income. As at December 31, 2021, such investments stated at fair value totaling Baht 3,125 million. In fair value assessment, the management is required to exercise a high level of considerable judgment in selection of valuation methods, financial models, and various assumptions such as growth rate, discounted rate, etc. used in valuation. Such fair value assessment related to an estimation of future cash flows each entity would generate, which were uncertain. I therefore focused on fair value of such investments.

I reviewed the appropriateness of the valuation method and financial models selected by the Company's management, tested key assumptions used in fair value assessment by comparing with industry's information, historical performance and future trend and tested calculation fair value.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events

or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: February 23, 2022

STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

(Baht'000)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Assets					
Cash and cash equivalents	6	561,726	141,557	561,726	141,557
Premium receivables	7	3,004,544	2,765,897	3,004,544	2,765,897
Accrued investment income		38,102	42,863	38,102	42,863
Reinsurance assets	8	7,930,459	7,560,169	7,930,459	7,560,169
Reinsurance receivables	9	628,974	389,322	628,974	389,322
Investment assets					
Investments in securities	10.1	47,047,497	44,424,088	47,047,497	44,424,088
Loans and interest receivables	11	1,400,122	1,476,419	1,400,122	1,476,419
Investment properties	12	100,700	117,930	100,700	117,930
Investments in associates	13.1	281,181	268,911	129,396	129,396
Premises and equipment	14	559,284	614,945	559,284	614,945
Right-of-use assets	15.1	901,264	886,561	901,264	886,561
Intangible assets	16	160,870	101,676	160,870	101,676
Other assets					
Corporate income tax awaiting refund		338,927	-	338,927	-
Others		546,199	713,452	546,199	713,452
Total assets		63,499,849	59,503,790	63,348,064	59,364,275

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION

(CONTINUED)

As at 31 December 2021

(Baht'000)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	17	18,680,919	18,022,514	18,680,919	18,022,514
Due to reinsurers	18	3,188,391	2,737,452	3,188,391	2,737,452
Income tax payable		-	196,693	-	196,693
Lease liabilities	15.2	825,754	778,849	825,754	778,849
Employee benefit obligations	19	790,146	777,203	790,146	777,203
Deferred tax liabilities	20.1	3,716,954	2,984,539	3,686,597	2,956,636
Other liabilities					
Premiums received in advance		1,593,177	1,717,483	1,593,177	1,717,483
Commission payables		424,910	411,903	424,910	411,903
Accrued expenses		539,190	607,434	539,190	607,434
Others		922,308	926,673	922,308	926,673
Total liabilities		30,681,749	29,160,743	30,651,392	29,132,840
Owners' equity					
Share capital	21				
Registered, issued and paid up					
106,470,000 ordinary shares of Baht 10 each		1,064,700	1,064,700	1,064,700	1,064,700
Share premium		1,442,500	1,442,500	1,442,500	1,442,500
Retained earnings					
Appropriated					
Statutory reserve	22	106,470	106,470	106,470	106,470
Other reserve		7,000,000	7,000,000	7,000,000	7,000,000
Unappropriated		4,748,928	5,373,112	4,623,612	5,259,107
Other component of owners' equity		18,455,502	15,356,265	18,459,390	15,358,658
Total owners' equity		32,818,100	30,343,047	32,696,672	30,231,435
Total liabilities and owners' equity		63,499,849	59,503,790	63,348,064	59,364,275
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

(Baht'000)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Gross premium written		24,510,990	22,858,220	24,510,990	22,858,220
Less: Premium ceded to reinsurers		(8,935,924)	(8,048,865)	(8,935,924)	(8,048,865)
Net premium written		15,575,066	14,809,355	15,575,066	14,809,355
Add (less): Unearned premium reserves (increased) decreased from prior year		(338,325)	35,381	(338,325)	35,381
Earned premium		15,236,741	14,844,736	15,236,741	14,844,736
Fee and commission income		1,617,503	1,641,001	1,617,503	1,641,001
Investment revenue		1,052,973	1,127,222	1,059,262	1,127,222
Gains on investments		313,908	185,241	313,908	185,241
Share of profits in associates under the equity method	13.2	20,427	20,790	-	-
Other income		204,249	174,083	204,249	174,083
Total revenues		18,445,801	17,993,073	18,431,663	17,972,283
Expenses					
Gross claims		13,833,487	12,327,280	13,833,487	12,327,280
Less: Claim recovery from reinsurers		(2,853,175)	(3,955,308)	(2,853,175)	(3,955,308)
Commissions and brokerages		3,032,439	2,865,234	3,032,439	2,865,234
Other underwriting expenses		2,195,537	2,375,421	2,195,537	2,375,421
Operating expenses	24	988,510	984,279	988,510	984,279
Investment expenses		89,027	86,426	89,027	86,426
Finance costs		40,831	39,337	40,831	39,337
Expected credit losses	25	4,284	60,321	4,284	60,321
Total expenses	26	17,330,940	14,782,990	17,330,940	14,782,990
Profits before income tax expenses		1,114,861	3,210,083	1,100,723	3,189,293
Less: Income tax expenses	20.2	(58,979)	(504,487)	(56,152)	(500,329)
Net profits		1,055,882	2,705,596	1,044,571	2,688,964
Other comprehensive income:					
Items to be recognised in profit or loss in subsequent periods:					
Shares of other comprehensive income (loss) from associates	13.2	(1,869)	1,750	-	-
Gains (losses) on revaluation of available-for-sale investments measured at fair value through other comprehensive income		3,875,915	(5,002,416)	3,875,915	(5,002,416)
Total Items to be recognised in profit or loss in subsequent periods		3,874,046	(5,000,666)	3,875,915	(5,002,416)
Add (less): Income taxes		(774,809)	1,000,133	(775,183)	1,000,483
Items to be recognised in profit or loss in subsequent periods - net of income taxes		3,099,237	(4,000,533)	3,100,732	(4,001,933)
Items not to be recognised in profit or loss in subsequent periods:					
Actuarial gains (losses)		29,312	(35,681)	29,312	(35,681)
Add (less): Income taxes		(5,863)	7,136	(5,863)	7,136
Items not to be recognised in profit or loss in subsequent periods - net of income taxes		23,449	(28,545)	23,449	(28,545)
Other comprehensive income (loss) for the years		3,122,686	(4,029,078)	3,124,181	(4,030,478)
Total comprehensive income (loss) for the years		4,178,568	(1,323,482)	4,168,752	(1,341,514)
Earnings per share:	28				
Basic earnings per share					
Net profits		9.92	25.41	9.81	25.26

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

(Baht'000)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Cash flows from (used in) operating activities				
Direct premium written	22,610,199	21,471,962	22,610,199	21,471,962
Cash paid for reinsurance	(3,511,726)	(2,777,161)	(3,511,726)	(2,777,161)
Interest income	196,426	304,337	196,426	304,337
Dividend income	865,349	851,161	865,349	851,161
Other investment income	153,417	154,903	153,417	154,903
Other income	48,205	16,861	48,205	16,861
Losses incurred on direct insurance	(12,710,087)	(9,947,053)	(12,710,087)	(9,947,053)
Commissions and brokerages on direct insurance	(2,725,825)	(2,639,521)	(2,725,825)	(2,639,521)
Other underwriting expenses	(2,578,183)	(2,763,228)	(2,578,183)	(2,763,228)
Operating expenses	(967,516)	(696,589)	(967,516)	(696,589)
Investment expenses	(48,457)	(47,472)	(48,457)	(47,472)
Income taxes	(641,987)	(465,085)	(641,987)	(465,085)
Cash received on financial assets	22,496,178	21,874,999	22,496,178	21,874,999
Cash paid for financial assets	(20,852,334)	(23,718,426)	(20,852,334)	(23,718,426)
Net cash provided by operating activities	2,333,659	1,619,688	2,333,659	1,619,688
Cash flows from (used in) investing activities				
Cash flows from				
Premises and equipment	4,612	2,576	4,612	2,576
Cash from investing activities	4,612	2,576	4,612	2,576
Cash flows used in				
Premises and equipment	(58,084)	(52,712)	(58,084)	(52,712)
Intangible assets	(87,446)	(19,790)	(87,446)	(19,790)
Cash used in investing activities	(145,530)	(72,502)	(145,530)	(72,502)
Net cash used in investing activities	(140,918)	(69,926)	(140,918)	(69,926)
Cash flows from (used in) financing activities				
Repayments of lease liabilities	(66,989)	(60,361)	(66,989)	(60,361)
Dividends paid	(1,705,510)	(1,486,668)	(1,705,510)	(1,486,668)
Net cash used in financing activities	(1,772,499)	(1,547,029)	(1,772,499)	(1,547,029)
Net increase increase in cash and cash equivalents	420,242	2,733	420,242	2,733
Cash and cash equivalents at beginning of the years	141,557	138,824	141,557	138,824
Less: Increase in allowance for expected credit losses	(73)	-	(73)	-
Cash and cash equivalents at end of the years	561,726	141,557	561,726	141,557

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN OWNERS' EQUITY

For the year ended 31 December 2021

Financial statements in which the equity method is applied

	Note	Issued and paid-up share capital	Share premium
Balance as at 1 January 2020		1,064,700	1,442,500
Dividend paid	29	-	-
Net profit		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at 31 December 2020		<u>1,064,700</u>	<u>1,442,500</u>
Balance as at 1 January 2021		1,064,700	1,442,500
Dividend paid	29	-	-
Net profit		-	-
Other comprehensive income (loss) for the year		-	-
Balance as at 31 December 2021		<u>1,064,700</u>	<u>1,442,500</u>

Separate financial statements

	Note	Issued and paid-up share capital	Share premium
Balance as at 1 January 2020		1,064,700	1,442,500
Dividend paid	29	-	-
Net profit		-	-
Other comprehensive loss for the year		-	-
Balance as at 31 December 2020		<u>1,064,700</u>	<u>1,442,500</u>
Balance as at 1 January 2021		1,064,700	1,442,500
Dividend paid	29	-	-
Net profit		-	-
Other comprehensive income for the year		-	-
Balance as at 31 December 2021		<u>1,064,700</u>	<u>1,442,500</u>

The accompanying notes are an integral part of the financial statements.

(Baht'000)

Retained earnings			Other component of equity			
Appropriated			Share of other comprehensive loss from associates - net of income taxes	Revaluation surplus on available-for-sale investments - net of income taxes	Total	Total
Statutory reserve	Other reserve	Unappropriated				
106,470	7,000,000	4,186,640	(3,793)	19,360,591	19,356,798	33,157,108
-	-	(1,490,579)	-	-	-	(1,490,579)
-	-	2,705,596	-	-	-	2,705,596
-	-	(28,545)	1,400	(4,001,933)	(4,000,533)	(4,029,078)
106,470	7,000,000	5,373,112	(2,393)	15,358,658	15,356,265	30,343,047
106,470	7,000,000	5,373,112	(2,393)	15,358,658	15,356,265	30,343,047
-	-	(1,703,515)	-	-	-	(1,703,515)
-	-	1,055,882	-	-	-	1,055,882
-	-	23,449	(1,495)	3,100,732	3,099,237	3,122,686
106,470	7,000,000	4,748,928	(3,888)	18,459,390	18,455,502	32,818,100

(Baht'000)

Retained earnings			Other component of equity			
Appropriated			Revaluation surplus on available-for-sale investments - net of income taxes		Total	
Statutory reserve	Other reserve	Unappropriated				
106,470	7,000,000	4,089,267		19,360,591		33,063,528
-	-	(1,490,579)		-		(1,490,579)
-	-	2,688,964		-		2,688,964
-	-	(28,545)		(4,001,933)		(4,030,478)
106,470	7,000,000	5,259,107		15,358,658		30,231,435
106,470	7,000,000	5,259,107		15,358,658		30,231,435
-	-	(1,703,515)		-		(1,703,515)
-	-	1,044,571		-		1,044,571
-	-	23,449		3,100,732		3,124,181
106,470	7,000,000	4,623,612		18,459,390		32,696,672

NOTES TO FINANCIAL STATEMENTS

1. General information

1.1 Corporate information

Bangkok Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company’s major shareholder is Bangkok Bank Public Company Limited whereby as at 31 December 2021 and 2020, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company’s registered office is located at No. 25, Bangkok Insurance Building, South Sathon Road, Tung Ma Ha Mek, Sathon, Bangkok.

1.2 Coronavirus 2019 Pandemic

The Coronavirus 2019 (Covid-19) pandemic has caused an economic slowdown and impacted businesses and industries in various sectors either directly or indirectly. This situation may bring uncertainties and have an impact on the environment in which the business operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues (if any) as the situation has evolved.

2. Basis for preparation of financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission (“OIC”), and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies (No.2) B.E. 2562 dated 4 April 2019.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statements regarding the summary of significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from such financial statements in Thai language.

2.1 The financial statements in which the equity method is applied

The Company has prepared the financial statements, in which equity method is applied, which have presented investments in associates under the equity method.

2.2 Separate financial statements

The Company has prepared its separate financial statements, which have presented investments in associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current period

During the year, the Company has adopted the new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, adoption of such financial reporting standards did not have significant impact to the Company's financial statements.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users. However, the management of the Company already considered and believe that adoption of these revised standards will not have any significant impact on the Company's financial statements.

4. Summary of significant accounting policies

4.1 Product classification

The Company classifies insurance contracts and reinsurance contracts based on the nature of the insurance contract. Insurance contracts are those contracts where the insurer has accepted significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. To determine whether a significant insurance risk has been accepted, the insurer compares the benefits payable after an insured event with the benefits payable if the insured event did not occur. If the criteria are not met, the Company classifies the insurance contract and reinsurance contract as an investment contract. Investment contracts have the legal form of insurance contracts and transfer financial risk to the insurer, but not significant insurance risk. Financial risks are specified as interest rate risk, exchange rate risk, or price risk.

The Company classifies contracts based on assessment of the significance of the insurance risk at inception of contract, for each contract. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime. A contract classified as an investment contract at inception can be reclassified as an insurance contract after inception if the insurance risk becomes significant.

4.2 Revenue recognition

(a) Gross premium written

Gross premium written consists of direct premium and reinsurance premium less premium of the canceled policies and premium refunded to the policy holders.

Direct premium is recognised as revenue when the insurance policy comes into effect. For long-term insurance policies with a coverage period of longer than 1 year, premiums are recorded as premiums received in advance and will be gradually recognised as revenue on a yearly basis over the coverage period.

Reinsurance premium is recognised as revenue when the reinsurer places the reinsurance application or the statement of accounts with the Company.

(b) Commission and brokerage fee income

Commission and brokerage fees from ceded premium are recognised as revenue over the period in which the related services are rendered.

(c) **Investment revenues**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Interest on loans is recognised as revenue over the term of the loans based on the amount of outstanding principal. No accrual is made for loans with interest default over six continuous months. Interest on investments in debt securities is recognised as revenue on the effective interest rate over the investment holding periods. Interest on deposits is recognised as revenue over the term of deposits on an accrual basis.

Dividends on investments are recognised as revenues when the right to receive the dividend is established.

(d) **Gains (losses) on investments**

Gains (losses) on investments are recognised as revenue or expense on the transaction dates.

4.3 Expenses recognition

(a) **Premium ceded to reinsurers**

Premium ceded to reinsurers are recognised as expenses when the insurance risk is transferred to another reinsurer at amount per policy.

(b) **Gross claims**

Gross claims consist of claims and losses adjustment expenses of direct insurance and reinsurance for both reported and not reported claims, which include the amounts of claims, related expenses, and loss adjustments of current and prior period claims incurred during the year, less residual value and other recoveries (if any) and claims refundable from reinsurers.

Gross claims of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy.

Claims refundable from reinsurers are recognised as deduction item against gross claims when claims are recorded by the condition in the relevant reinsurance contract.

(c) **Commission and brokerage expenses**

Commission and brokerage expenses are expensed when incurred.

(d) **Other underwriting expenses**

Other underwriting expenses are other insurance expenses for both direct and indirect expenses, including contributions, which are recognised as expenses on accrual basis.

(e) **Operating expenses**

Operating expenses are operating expenses, not related to underwriting and claim, which are recognised as expenses on accrual basis.

(f) **Finance costs**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investment with an original maturity of three months or less and not subject to withdrawal restrictions. Increase (decrease) in an allowance for expected credit loss is recorded as an expenses during the years.

4.5 Premium receivables and allowance of doubtful accounts

Premium receivables from direct insurance are stated at their net realisable values. The Company sets up an allowance for doubtful accounts based on the estimated loss that may incur in collection of the premium receivables, on the basis of collection experiences, analysis of debtor aging and a review of current status of the premium receivables as at the end of the reporting periods. Increase (decrease) in an allowance for doubtful account is recorded as an increase (a decrease) to expenses during the years.

4.6 Reinsurance assets and allowance for impairment

Reinsurance assets are stated at the amounts of insurance reserves refundable from reinsurers, which consist of (a) loss reserves and (b) unearned premium reserves that are estimated based on related reinsurance contracts in accordance with insurance reserve calculation law.

The Company sets up an allowance for impairment, of reinsurance assets based on losses that may be incurred due to irrecoverable, taking into account collection experience, aged of balance, and the status of receivables from reinsurers as at the end of the reporting periods. Increase (decrease) in an allowance for impairment is recorded as an increase (a decrease) to expenses during the years in profit or loss.

4.7 Reinsurance receivables and due to reinsurers and allowance for doubtful accounts

- (a) Reinsurance receivables are stated at the outstanding balances of amounts due from reinsurers and amounts deposited on reinsurance.

Amounts due from reinsurers consist of reinsurance premium ceded receivable, accrued commission and brokerage income, claims and various other items receivable from reinsurers net of allowance for doubtful account. The Company records allowance for doubtful accounts for reinsurance receivables based on the estimated losses that may be incurred due to uncollectible, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting periods.

- (b) Due to reinsurers are stated at the outstanding balance of amounts due to reinsurers and amounts withheld on reinsurance.

Amounts due to reinsurers consist of outward premium payables and other reinsurance payables to reinsurers, excluding claims.

The Company presents the net amount of due to and from the same reinsurance party (as reinsurance receivables or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The Company has a legal right to offset amounts presented in the statements of financial position and
- (2) The Company intends to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

4.8 Investment assets

- (a) Investments in securities

Available-for-sale investments are stated at fair value. Changes in the fair value of these investments are recorded in other comprehensive income and will be recorded in profit or loss when the investments are disposed of.

Held-to-maturity investments are recorded at amortised cost. The premium/discount is amortised/accreted by the effective interest rate method with the amortised/ accreted amount presented as an adjustment to the interest income.

Investments in non-marketable equity securities, which are classified as available-for-sale investments, are stated at fair value. Changes in fair value are recognised in other comprehensive income.

The fair value of marketable securities is based on the latest bid price of the last working day of the year of the Stock Exchange of Thailand. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of investment units is determined from their net asset value.

At the end of reporting period, available-for-sale investment in debt instrument measured at fair value net of expected credit loss (if any) and held-to-maturity investment in debt instruments measured at amortised cost net of expected credit loss (if any)

On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised in profit or loss. The weighted average method is used for computation of the cost of an investment.

The Company records purchases and sales of investments in equity securities on trade dates and records purchases and sales of investments in debt securities on settlement dates.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as revaluation surplus or deficit on available-for-sale investments in owners' equity, depending on the type of investment that is reclassified.

(b) Loans and interest receivables

Loans and interest receivables are stated at amortised cost and net of allowance for expected credit losses (if any).

(c) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful life of 30 years (over the lease period). Depreciation of the investment properties is recognised as expense in profit or loss.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.9 Investment in associates

Investments in associates as presented in the financial statements, in which the equity method is applied, is recorded initially at cost and adjusted to reflect the proportionate share of the associate's operating results and is deducted by dividend income.

Investments in associates as presented in the separate financial statements is stated at cost net of allowance for impairment (if any). Loss on impairment is recorded as an expense in profit or loss.

4.10 Premises and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings	- 20 years and 33 years
Condominium units	- 20 years
Furniture, fixture and office equipment	- 3 years and 5 years
Vehicles	- 5 years

Depreciation is recognised in profit or loss. No depreciation is provided for land and construction in progress.

An item of premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.11 Intangible assets and amortisation

Intangible assets acquired are recognised at cost. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and allowance for impairment (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year-end. The amortisation expense is charged to profit or loss. No amortisation is provided for computer softwares under development.

Intangible assets with finite useful lives, which are computer softwares, have the economic lives of 3, 5 and 10 years.

4.12 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

(a) Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	15 and 33	years
Buildings	3 and 5	years
Office equipment	5	years
Vehicles	5	years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company determines the present value of the lease payments, discounted by the interest rate implicit in the lease agreement or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Company as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.13 Insurance contract liabilities

Insurance contract liabilities consist of loss reserve and premium reserves.

(a) Loss reserves

Loss reserves are recorded at the amounts to be actually paid. Loss reserves are provided upon receipt of claim advices from the insured based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimate shall not exceed the sum-insured under the relevant policy.

Outstanding claim provision are calculated using an actuarial method based on a best estimate of claims which are expected to be paid in respect of losses occurring before or as at the end of the reporting periods for both reported and not reported losses including loss adjustment expense. The different of the calculated outstanding claim provision which are higher than the loss reserve that recognised into financial statement, the Company has additionally provided reserves for claims incurred but not yet reported (IBNR).

(b) Premium reserves

Premium reserves are the higher amounts of unearned premium reserves and unexpired risk reserves. As at the end of the reporting periods, the Company compares the amounts of unexpired risk reserves with unearned premium reserves, and if the amount of unexpired risk reserves is higher than that of the unearned premium reserve, the difference is recognised as additional reserves to present the amounts of premium reserves equal to unexpired risk reserves. The increase or decrease in premium reserves from prior year is recognised in profit or loss.

(1) Unearned premium reserves

Unearned premium reserves are calculated based on direct premium before deducting premium ceded as follows:

Fire, marine, transportation (hull), motor and miscellaneous	- Monthly average basis (the one-twenty fourth basis)
Transportation (cargo), travelling accident with coverage periods of not over six-months	- 100% of premiums as from the effective date of the inforce policies over the insurance coverage period
Bail bond	- 70% of premiums as from the effective date of the inforce policies over the insurance coverage period

Outward unearned premium reserve is calculated based on premium ceded to reinsurers, using the same method applied for direct insurance policies the insurance risk transfer of which is already made throughout the coverage period of insurance policies.

(2) Unexpired risk reserves

Unexpired risk reserves are the reserves for the claims that may be incurred in respect of in-force policies. Unexpired risk reserves are set aside using an actuarial method, at the best estimate of the claims that are expected be incurred during the remaining coverage period, based on historical claims data.

4.14 Employee benefits

(a) Defined contribution plan

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

(b) Defined benefit plan and other long-term employee benefits

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans are determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income and adjusted directly to retained earnings and those arising from other long-term benefits are recognised immediately in profit and loss.

4.15 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.16 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.17 Income taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

(a) Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

(b) Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and its carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At the end of each reporting period, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

The Company records deferred income taxes directly to equity if they relate to items that are recorded directly to equity.

4.18 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currency are translated into Baht at the exchange rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of reporting periods. Gains and losses on exchange are recorded as revenues or expenses in profit or loss.

4.19 Impairment of assets

(a) Financial assets

The Company recognises expected credit loss on its financial assets measured at amortised cost and financial assets that are debt instruments measured at fair value through other comprehensive income, without requiring a credit-impaired event to have occurred prior to the recognition. The Company accounts for changes in credit risk in stages, with differing methods of determining allowance for expected credit losses.

Losses on impairment of investments in equity instruments and unit trusts classified as available-for-sale securities are recognised immediately in profit or loss when there is objective evidence of impairment, determined on the basis of evidence that indicates the cost of investments may not be recovered and there is a significant or prolonged decline in fair value of investments to below its costs. Losses on impairment (if any) are recorded as expenses in profit or loss.

(b) Non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of premises and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised in profit or loss when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use is less than the carrying amount.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimations used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case where there is no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting periods that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Classification of reinsurance contracts

In considering whether reinsurance contracts meet the definition of insurance contracts under Thai Financial Reporting Standards, the Company is required to test whether the contracts transfer significant insurance risk to the reinsurers, using an actuarial technique based on assumptions regarding historical claims data and other assumptions. The management is required to exercise judgement in determining these assumptions.

5.2 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement to whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.3 Allowance for expected credit losses and allowance for impairment on financial assets

The management is required to use judgement in estimating allowance for expected credit losses for financial assets. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the risk that collateral value cannot be realised, the probability of debt collection. The use of different estimates and assumptions could affect the amount of the allowance for credit losses and, therefore, the allowance may need to be adjusted in the future.

The Company sets aside allowance for impairment on available-for-sale equity investments, and investments in associates when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires the management judgement.

5.4 Allowances for doubtful accounts and impairment

In determining allowances for doubtful accounts and impairment on premium receivables, reinsurance assets, and reinsurance receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

5.5 Premises and equipment and depreciation

In calculating depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the Company's buildings and equipment and to review estimate useful lives and residual values when circumstance changes.

In addition, the management is required to review premises and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that its recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.6 Intangible assets and allowance for impairment

The initial recognition and measurement of intangible assets, and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset, including the choice of a suitable discount rate used in calculation of the present value for those cash flows.

5.7 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

5.8 Loss reserves

At the end of the reporting periods, the Company has to estimate loss reserves taking into account two parts, which are the claims incurred and reported, and the claims incurred but not yet reported (IBNR), the latter of which require actuarial technique such as the Chain Ladder and Bornheutter-Ferguson methods in estimation of reserves. The main assumptions underlying such techniques relate to historical experience, including the development of claim estimates, losses incurred and paid, average costs per claim and number of claims, etc. However, such estimates are forecasts of future outcomes and actual results could differ.

5.9 Unexpired risk reserves

Unexpired risk reserves are calculated using an actuarial method, based on the best estimate of the claims expected to incur over the remaining coverage period of the insurance contracts. Estimating the reserves requires the management to exercise judgement, with reference to historical data and the best estimate available at the time.

5.10 Leases

The Company as a lessee

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease contract, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Company as a lessor

Lease classification

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

5.11 Employee benefit obligations

Employee benefit obligations are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate, based on their best knowledge of current events and arrangements.

5.12 Litigation

The Company has contingent liabilities as a result of litigation claims. The Company's management has used judgement to assess the results of the litigation and believes that losses incurred will not exceed the recorded amounts as at the end of reporting periods.

5.13 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The inputs to these models are taken from observable markets, and include consideration of credit risk (the Company and its counterparty), liquidity risk, correlation and longer-term volatility of financial instruments. Changes in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Cash on hand	2,493	2,787
Deposits at banks with no fixed maturity date	249,306	138,770
Deposits at banks with fixed maturity date	310,000	-
Total	561,799	141,557
Less: Allowance for expected credit losses	(73)	-
Cash and cash equivalents - net	561,726	141,557

As at 31 December 2021 and 2020, deposits at banks carried interests at the rates between 0.13 and 0.45 percent per annum and 0.13 and 0.30 percent per annum, respectively.

7. Premium receivables

As at 31 December 2021 and 2020, the balances of premium receivables from direct insurance were classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Not yet due	2,353,308	2,202,950
Overdue not longer than 30 days	194,378	191,470
Overdue 31 days to 60 days	234,017	119,564
Overdue 61 days to 90 days	54,773	61,118
Overdue 91 days to 1 year	168,068	190,795
Overdue longer than 1 year	43,923	16,245
Total	3,048,467	2,782,142
Less: Allowance for doubtful accounts	(43,923)	(16,245)
Premium receivables - net	3,004,544	2,765,897

For premium receivables due from agents and brokers, the Company has stipulated the collection guidelines in accordance with the Premium Collection Law whereby the Company has taken legal proceedings with agents and brokers on a case by case basis for overdue premiums.

8. Reinsurance assets

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Insurance reserves refundable from reinsurers		
Loss reserves	4,331,992	4,304,602
Unearned premium reserves	3,598,519	3,255,621
Total	7,930,511	7,560,223
Less: Allowance for impairment	(52)	(54)
Reinsurance assets - net	7,930,459	7,560,169

9. Reinsurance receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Amounts deposited on reinsurance	56,147	42,445
Amounts due from reinsurers	575,080	367,902
Total	631,227	410,347
Less: Allowance for doubtful accounts	(2,253)	(21,025)
Receivables on reinsurance contracts - net	628,974	389,322

As at 31 December 2021 and 2020, amounts due from reinsurers were classified by aging as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Not over 12 months	526,263	336,807
Overdue from 1 year to 2 years	40,749	19,946
Overdue longer than 2 years	8,068	11,149
Total	575,080	367,902
Less: Allowance for doubtful accounts	(2,253)	(21,025)
Amounts due from reinsurers - net	572,827	346,877

10. Investments in securities

10.1 Classified by type of investment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 December 2021		31 December 2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments measured at fair value through other comprehensive income				
Government and state enterprise securities	4,438,484	4,462,888	3,252,226	3,300,520
Private sector debt securities	800,000	745,857	630,817	579,039
Common stocks	6,551,706	29,430,140	6,083,661	25,112,951
Unit trusts	1,721,211	1,829,929	1,652,329	1,704,622
Total	13,511,401	36,468,814	11,619,033	30,697,132
Add: Unrealised gains	23,074,238		19,198,323	
Less: Allowance for impairment	(65,083)		(65,083)	
Less: Allowance for expected credit losses	(51,742)		(55,141)	
Available-for-sale investments measured at fair value through other comprehensive income - net	36,468,814		30,697,132	
Held-to-maturity investments measured at amortised cost				
Deposits at financial institutions which matured over 3 months	10,581,559		13,729,657	
Less: Allowance for expected credit losses	(2,876)		(2,701)	
Held-to-maturity investments measured at amortised cost - net	10,578,683		13,726,956	
Investment in securities - net	47,047,497		44,424,088	

10.2 Classified by stage of credit risk

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 December 2021		31 December 2020	
	Fair value	Allowance for expected credit losses recognised in profit or loss	Fair value	Allowance for expected credit losses recognised in profit or loss
Available-for-sale investments measured at fair value through other comprehensive income				
Stage 1 - Debt securities without a significant increase of credit risk	5,156,385	(1,341)	3,827,529	(734)
Stage 3 - Credit impaired debt securities	52,360	(50,401)	52,030	(54,407)
Total	5,208,745	(51,742)	3,879,559	(55,141)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 December 2021		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	10,581,559	(2,876)	10,578,683
Total	10,581,559	(2,876)	10,578,683

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 December 2020		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	13,729,657	(2,701)	13,726,956
Total	13,729,657	(2,701)	13,726,956

10.3 Remaining periods to maturity of debt securities

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements										
	31 December 2021					31 December 2020				
	Period to maturity					Period to maturity				
	1 year	1 - 5 years	Over 5 years	Unspecified	Total	1 year	1 - 5 years	Over 5 years	Unspecified	Total
Available-for-sale investments										
measured at fair value through other comprehensive income										
Government and state enterprise securities	3,292,823	801,328	344,333	-	4,438,484	2,020,493	1,031,733	200,000	-	3,252,226
Private enterprise debt securities	110,000	465,000	225,000	-	800,000	135,000	400,817	95,000	-	630,817
Unit trusts	-	-	-	347,463	347,463	-	-	-	347,463	347,463
Total	3,402,823	1,266,328	569,333	347,463	5,585,947	2,155,493	1,432,550	295,000	347,463	4,230,506
Add (less): Unrealised gains (losses)	3,038	26,400	(7,435)	22,105	44,108	2,873	32,698	16,086	(18,906)	32,751
Less: Allowance for expected credit losses	(289)	(941)	(50,512)	-	(51,742)	(5,384)	(49,700)	(57)	-	(55,141)
Available-for-sale investments										
measured at fair value through other comprehensive income - net										
	3,405,572	1,291,787	511,386	369,568	5,578,313	2,152,982	1,415,548	311,029	328,557	4,208,116
Held-to-maturity investments measured at amortised cost										
Deposits at financial institutions with maturity of longer than 3 months	10,501,559	80,000	-	-	10,581,559	13,729,657	-	-	-	13,729,657
Less: Allowance for expected credit losses	(2,857)	(19)	-	-	(2,876)	(2,701)			-	(2,701)
Total held-to-maturity investments measured at amortised cost										
	10,498,702	79,981	-	-	10,578,683	13,726,956	-	-	-	13,726,956

10.4 Fair values of investments in debt instruments

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
31 December 2021			
Pass the SPPI tests		Fail the SPPI tests	
Changes in fair value during the year		Changes in fair value during the year	
Fair value		Fair value	
Available-for-sale investments measured at fair value through other comprehensive income			
Government and state enterprise securities	4,462,888	(23,890)	-
Private enterprise debt securities	745,857	(2,365)	-
Unit trusts	-	-	369,568
Held-to-maturity investments measured at amortised cost			
Deposits at financial institutions with maturity of longer than 3 months	10,578,683	-	-
Total	15,787,428	(26,255)	369,568
			41,011

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements				
31 December 2020				
	Pass the SPPI tests		Fail the SPPI tests	
	Changes in fair value during		Changes in fair value during	
	Fair value	the year	Fair value	the year
Available-for-sale investments				
measured at fair value				
through other comprehensive				
income				
Government and state enterprise securities	3,300,520	18,533	-	-
Private enterprise debt securities	579,039	(63,927)	-	-
Unit trusts	-	-	328,557	(34,655)
Held-to-maturity investments				
measured at amortised cost				
Deposits at financial institutions with maturity of longer than 3 months	13,726,956	-	-	-
Total	17,606,515	(45,394)	328,557	(34,655)

10.5 Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the year ended 31 December	
	2021	2020
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at beginning of the years	19,198,323	24,200,739
Revaluation during the years	4,190,316	(4,953,609)
Gains on sales of available-for-sale investments measured at fair value through other comprehensive income transferred to be recognised in profit or loss	(314,401)	(48,807)
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at end of the years	23,074,238	19,198,323
Less: Income taxes	(4,614,848)	(3,839,665)
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at end of the years - net of income taxes	18,459,390	15,358,658

10.6 Investments subject to restriction and commitment

As at 31 December 2021 and 2020, the Company placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act and placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 December 2021		31 December 2020	
	Cost	Fair value	Cost	Fair value
Placed as securities				
Government bonds	14.0	14.1	14.0	14.3
Placed as insurance reserves				
Ordinary shares	35.2	116.1	35.2	113.7
Government bonds	1,270.0	1,294.5	1,240.0	1,286.9
Debentures	240.0	244.3	210.0	212.5
	1,545.2	1,654.9	1,485.2	1,613.1
Placed to secure bank overdraft facilities				
Deposits at financial institutions	30.0	30.0	30.0	30.0
Placed as performance bonds				
Government and state enterprise bonds	0.6	0.6	-	-
Placed to secure bank guarantees				
Deposits at financial institutions	20.0	20.0	20.0	20.0

11. Loans and interest receivables

As at 31 December 2021 and 2020, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

(Unit: Thousand Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
31 December 2021			
Classification	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,277,190	7,694	1,284,884
Stage 2 - Loans with significant increases of credit risk	2,239	-	2,239
Stage 3 - Credit impairment loans	169,435	-	169,435
Total	1,448,864	7,694	1,456,558
Less: Allowance for expected credit losses	(56,436)	-	(56,436)
Loans and interest receivables - net	1,392,428	7,694	1,400,122

(Unit: Thousand Baht)			
Financial state the equity method is applied ate financial statements			
31 December 2020			
Classification	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,344,386	8,305	1,352,691
Stage 2 - Loans with significant increases of credit risk	17,942	-	17,942
Stage 3 - Credit impairment loans	155,043	-	155,043
Total	1,517,371	8,305	1,525,676
Less: Allowance for expected credit losses	(49,257)	-	(49,257)
Loans and interest receivables - net	1,468,114	8,305	1,476,419

Credit limits granted to each employee under the Company's employee welfare plan shall not exceeding 30 times of employee's salary and Baht 1,000,000 for personal guarantee loans with interest being charged at the rate of 3.0% per annum, and not exceed 60 times of employee's salary and Baht 5,000,000 for mortgaged loans with interest being charged at the rate of 2.5% per annum.

As at 31 December 2021 and 2020, the balances of employee loans were Baht 161.3 million and Baht 153.9 million, respectively.

12. Investment properties

As at 31 December 2021 and 2020, the investment properties were presented below.

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Cost	533,653	533,653
Less: Accumulated depreciation	(432,953)	(415,723)
Net book value	100,700	117,930

Reconciliations of the net book value of investment properties for the years ended 31 December 2021 and 2020 were presented below.

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Net book value at beginning of the years	117,930	135,207
Depreciation charged for the years	(17,230)	(17,277)
Net book value at end of the years	100,700	117,930

The fair values of the investment properties as at 31 December 2021 and 2020 were stated as below:

	(Unit: Million Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Office building for rent	192.4	225.8

The fair values of the investment properties were appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee, etc.

Revenues and expenses related to investment properties were recognised in profit or loss as below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the year ended 31 December	
	2021	2020
Rental income	152,035	153,480
Operating expenses directly related to generated rental income	89,518	85,579
Total expenses	89,518	85,579

13. Investments in associates

13.1 Details of associates

Company's name	Nature of business	Country of incorporation	Paid-up share capital as at		Shareholding	
			31 December	31 December	31 December	31 December
			2021	2020	2021	2020
			(USD)	(USD)	(%)	(%)
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	7,000,000	7,000,000	22.92	22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Lao	2,000,000	2,000,000	38.00	38.00

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Asia Insurance (Cambodia) Plc.	114,703	103,875	30,202	30,202
Asian Insurance International (Holding) Limited	135,391	135,923	72,054	72,054
Bangkok Insurance (Lao) Company Limited	31,087	29,113	27,140	27,140
Total	281,181	268,911	129,396	129,396

13.2 Shares of profits, other comprehensive income (loss), and dividends income

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profits		Share of other comprehensive incomes (loss) from investments in		Dividend received	
	from investments in associates		associates			
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	10,828	10,835	-	-	-	-
Asian Insurance International (Holding) Limited	7,625	7,107	(1,868)	1,750	6,289	-
Bangkok Insurance (Lao) Company Limited	1,974	2,848	-	-	-	-
Total	20,427	20,790	(1,868)	1,750	6,289	-

13.3 Financial information of associates

Summarised information from statements of financial position

(Unit: Million Baht)						
	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Company Limited	
	31 December	31 December	31 December	31 December	31 December	31 December
	2021	2020	2021	2020	2021	2020
Total assets	812.9	715.7	294.4	273.7	538.7	462.3
Total liabilities	(291.3)	(291.2)	-	-	(468.9)	(402.6)
Net assets	521.6	424.5	294.4	273.7	69.8	59.7
Shareholding percentage (%)	22.9	22.9	41.7	41.7	38.0	38.0
Shares of net assets of the associates	119.6	97.3	122.7	114.2	26.5	22.7
Carrying values based on the equity method	114.7	103.9	135.4	135.9	31.1	29.1

Summarised information from statements of comprehensive income

(Unit: Million Baht)						
	Asia Insurance (Cambodia) Plc.		Asian Insurance International (Holding) Limited		Bangkok Insurance (Lao) Company Limited	
	For the years ended 31 December		For the years end 31 December		31 December	
	2021	2020	2021	2020	2021	2020
Revenues	107.5	107.6	9.3	10.1	34.3	33.9
Net profits	41.5	45.1	7.5	8.9	5.0	9.4
Other comprehensive income (loss) for the years	-	-	(4.5)	4.2	-	-
Total comprehensive income for the years	41.5	45.1	3.0	13.1	5.0	9.4

As at 31 December 2021 and 2020, the Company recorded investment in associates under the equity method (in the financial statements in which the equity method is applied) based on financial information prepared by the associates' management, which were unaudited by their auditors.

14. Premises and equipment

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements							
	Land	Buildings	Condominium units	Furniture, fixture and office equipment	Vehicles	Assets under installment	Total
Cost							
1 January 2020	222,737	833,958	8,751	1,894,390	38,057	63,152	3,061,045
Additions	-	-	-	29,452	7,762	15,498	52,712
Transfers in (out)	28	-	(28)	45,106	-	(45,106)	-
Disposals	-	-	-	(471)	(15,260)	-	(15,731)
31 December 2020	-	833,958	8,723	1,968,477	30,559	33,544	3,098,026
Additions	-	-	-	40,060	674	17,350	58,084
Transfers in (out)	-	-	-	32,749	-	(32,749)	-
Disposals	(1,606)	(884)	-	(97)	(742)	-	(3,329)
31 December 2021	221,159	833,074	8,723	2,041,189	30,491	18,145	3,152,781
Accumulated depreciation							
1 January 2020	-	613,832	8,721	1,711,938	23,368	-	2,357,859
Depreciation for the year	-	26,003	-	109,507	5,186	-	140,696
Accumulated depreciation on disposals	-	-	-	(471)	(15,003)	-	(15,474)
31 December 2020	-	639,835	8,721	1,820,974	13,551	-	2,483,081
Depreciation for the year	-	25,932	-	81,165	4,663	-	111,760
Accumulated depreciation on disposals	-	(594)	-	(89)	(661)	-	(1,344)
31 December 2021	-	665,173	8,721	1,902,050	17,553	-	2,593,497
Net book value							
31 December 2020	222,765	194,123	2	147,503	17,008	33,544	614,945
31 December 2021	221,159	167,901	2	139,139	12,938	18,145	559,284
Depreciation for the years:							
2020							140,696
2021							111,760

As at 31 December 2021 and 2020, certain buildings and equipment items were fully depreciated but are still in use. The original cost before deducting accumulated depreciation of those assets amounted to Baht 1,863.4 million and Baht 1,681.4 million, respectively.

15. Leases

The Company has lease contracts for various items of land, building, office equipment and vehicles used in its operations. Leases generally have lease terms between 3 to 33 years.

15.1 Right-of-use assets

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	Land		Office equipment	Vehicles	Total
1 January 2020	844,090	23,007	-	37,527	904,624
New leases during the year	-	1,859	-	35,021	36,880
Depreciation for the year	(22,311)	(11,619)	-	(21,013)	(54,943)
31 December 2020	821,779	13,247	-	51,535	886,561
New leases during the year	-	31,771	15,571	25,841	73,183
Depreciation for the year	(22,310)	(12,105)	(3,633)	(20,432)	(58,480)
31 December 2021	799,469	32,913	11,938	56,944	901,264

15.2 Lease liabilities

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	Land	Buildings	Office equipment	Vehicles	Total
1 January 2020	705,588	17,233	36	40,024	762,881
New leases during the year	-	1,859	-	35,231	37,090
Financial costs recognised during the year	35,892	681	-	2,768	39,341
Leases paid during the year	(24,846)	(11,438)	(36)	(24,143)	(60,463)
31 December 2020	716,634	8,335	-	53,880	778,849
New leases during the year	-	31,771	15,571	25,841	73,183
Financial costs recognised during the year	36,457	710	743	2,927	40,837
Leases paid during the year	(24,846)	(12,000)	(6,900)	(23,369)	(67,115)
31 December 2021	728,245	28,816	9,414	59,279	825,754

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements							
	31 December 2021				31 December 2020			
	Within	1 - 5	Over	Total	within	1 - 5	Over	Total
	1 year	years	5 years		1 year	years	5 years	
Future minimum								
lease payments	62	189	1,565	1,816	53	151	1,598	1,802
Deferred interest								
expenses	(41)	(158)	(791)	(990)	(39)	(154)	(830)	(1,023)
Present value of								
future minimum								
lease payments	21	31	774	826	14	(3)	768	779

15.3 Expenses relating to leases recognised in profit or loss

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Depreciation expenses of right-of-use		
assets	58,361	54,844
Interest expense on lease liabilities	40,831	39,336
Expenses relating to short-term leases	-	49
Loss from the differences of reduction in		
lease payments	-	1
Total	99,192	94,230

The Company had total cash outflows of Baht 67.1 Million and Baht 60.4 million for leases for the year ended 31 December 2021 and 2020.

15.4 Leases of the Company as a lessor

As at 31 December 2021 and 2020, the Company has entered into operating leases for its investment property of the lease terms are between 2 and 3 years with future minimum rentals receivable under non-cancellable operating leases as follows:

(Unit: Thousand Baht)		
Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2021	31 December 2020
Within 1 year	90,523	91,134
Over 1 year and up to 5 years	122,872	179,421
Total	213,395	270,555

16. Intangible assets

(Unit: Thousand Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
	Computer softwares	Computer softwares under development	Total
Cost			
1 January 2020	563,365	5,525	568,890
Addition	4,201	15,589	19,790
31 December 2020	567,566	21,114	588,680
Addition	-	87,446	87,446
31 December 2021	567,566	108,560	676,126
Accumulated amortisation			
1 January 2020	452,511	-	452,511
Amortisation for the year	34,493	-	34,493
31 December 2020	487,004	-	487,004
Amortisation for the year	28,252	-	28,252
31 December 2021	515,256	-	515,256
Net book value			
31 December 2020	80,562	21,114	101,676
31 December 2021	52,310	108,560	160,870
Amortisation for the years			
2020			34,493
2021			28,252

As at 31 December 2021 and 2020, certain computer softwares were fully amortised but are still in use. The original cost before deducting accumulated amortisation of those assets amounted to Baht 344.0 million and Baht 316.2 million, respectively.

17. Insurance contract liabilities

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2021		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	7,078,559	(4,277,373)	2,801,186
Claims incurred but not reported	610,421	(54,567)	555,854
Premium reserves			
Unearned premium reserves	10,991,939	(3,598,519)	7,393,420
Total	18,680,919	(7,930,459)	10,750,460

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2020		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	7,138,869	(4,204,314)	2,934,555
Claims incurred but not reported	572,929	(100,234)	472,695
Premium reserves			
Unearned premium reserves	10,310,716	(3,255,621)	7,055,095
Total	18,022,514	(7,560,169)	10,462,345

The Company entered into reinsurance agreements in order to mitigate insurance risk. Although positions are managed on a net basis by management. However, insurance contract liabilities disclosures have been made on both gross and net basis.

17.1 Loss reserves

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Beginning balances	7,711,798	5,631,159
Claims incurred during the years	13,511,707	11,470,643
Changes in loss reserves of claims incurred in prior years	584,095	871,648
Changes in assumptions in calculating loss reserves	(28,105)	50,801
Claims and loss adjustment expenses paid during the years	(14,090,515)	(10,312,453)
Ending balances	7,688,980	7,711,798

As at 31 December 2021 and 2020, the Company, which is a reinsurer under the reinsurance contracts, had loss reserves under such contracts totaling Baht 380.0 million and Baht 287.6 million, respectively.

17.2 Claim development table

(a) Gross claims table

(Unit: Million Baht)

Accident year	Prior to											
/Reporting year	2012	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Loss reserves:												
- as at accident year		8,244	5,097	6,854	7,101	7,157	8,454	8,256	9,431	11,471	13,512	
- Next one year		9,127	5,562	7,359	7,382	7,407	8,004	8,239	9,687	11,024		
- Next two years		8,584	5,928	6,846	6,947	7,295	7,564	8,113	9,528			
- Next three years		8,397	5,709	6,693	6,949	7,130	7,501	8,142				
- Next four years		8,334	5,672	6,655	6,870	7,099	7,535					
- Next five years		8,259	5,685	6,631	6,857	7,076						
- Next six years		8,235	5,682	6,632	6,853							
- Next seven years		8,234	5,680	6,630								
- Next eight years		8,233	5,684									
- Next nine years		8,186										
Cumulative ultimate claim		8,186	5,684	6,630	6,853	7,076	7,535	8,142	9,529	10,999	13,992	
Cumulative payments		(8,184)	(5,648)	(6,597)	(6,756)	(7,041)	(7,302)	(7,871)	(9,247)	(9,324)	(9,809)	
Total	308	2	36	33	97	35	233	271	282	1,675	4,183	7,155
Inward treaty												418
Unallocated loss adjustment expenses												116
Gross loss reserves												7,689

(b) Net claims table

(Unit: Million Baht)

Accident year	Prior to											
/Reporting year	2012	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Loss reserves:												
- as at accident year		3,554	4,251	5,082	5,414	5,415	5,724	5,491	6,972	7,721	10,436	
- Next one year		3,784	4,521	5,267	5,720	5,549	5,736	5,403	7,163	7,607		
- Next two years		3,712	4,500	5,119	5,390	5,275	5,554	5,406	7,053			
- Next three years		3,701	4,283	4,984	5,383	5,272	5,547	5,402				
- Next four years		3,566	4,261	4,979	5,363	5,267	5,542					
- Next five years		3,546	4,262	4,982	5,358	5,252						
- Next six years		3,546	4,261	4,982	5,356							
- Next seven years		3,556	4,260	4,979								
- Next eight years		3,555	4,260									
- Next nine years		3,555										
Cumulative ultimate claim		3,555	4,260	4,979	5,356	5,252	5,542	5,402	7,055	7,613	10,830	
Cumulative payments		(3,554)	(4,258)	(4,975)	(5,350)	(5,239)	(5,527)	(5,371)	(6,989)	(7,258)	(8,347)	
Total	(153)	1	2	4	6	13	15	31	66	355	2,483	2,823
Inward treaty												418
Unallocated loss adjustment expenses												116
Net loss reserves												3,357

17.3 Assumptions

Assumptions used in measurement of assets, liabilities, revenues, and expenses incurred on insurance contracts are summarised below;

(a) Assumptions of claim experiences

At the end of the reporting periods, the Company estimates loss reserves using historical experience and actuarial technique, which is a standard that is generally accepted. In estimation of loss reserves, they are classified as gross (before reinsurance) and net (after reinsurance) reserves, by accident year, and duration of claim development. The Company uses the higher value between those determined from the Payment Method and the Incurred Method but excluding disaster losses. However, in calculation using the above-mentioned data, the management is required to exercise judgement to exclude all large claims in order to eliminate the fluctuations in loss development factor but include certain relevant large claims on a case-by-case basis where appropriate.

(b) Assumptions of related expenses

The Company estimates the unallocated loss adjustment expenses (ULAE) based on Claim Department's incurred expenses, for example, salaries, employee benefits, and technology costs, which is set as a ratio of ULAE to claims paid.

17.4 Unearned premium reserves

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Beginning balances	10,310,716	9,978,382
Premium written during the years	24,510,990	22,858,220
Premium earned during the years	(23,829,767)	(22,525,886)
Ending balances	10,991,939	10,310,716

18. Due to reinsurers

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
Amounts withheld on reinsurance	1,488,153	1,509,258
Amounts due to reinsurers	1,700,238	1,228,194
Due to reinsurers	3,188,391	2,737,452

19. Employee benefit obligations

Changes in employee benefit obligations, which were compensations on employee retirement, for the years ended 31 December 2021 and 2020 were as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Employee benefit obligations at beginning of the years	777,203	710,875
Included in profit or loss:		
Current service costs	65,750	64,894
Interest costs	16,321	10,663
Included in other comprehensive income or loss:		
Actuarial (gains) losses arising from:		
- Demographic assumptions changes	2,997	11,266
- Financial assumption changes	(60,779)	19,231
- Experience adjustments	28,470	5,184
Benefits paid during the years	(39,816)	(44,910)
Employee benefit obligations at end of the years	790,146	777,203

As at 31 December 2021 and 2020, the Company expected to pay long-term employee benefits of Baht 19.7 million and Baht 29.8 million, respectively, over the next 1-year period.

As at 31 December 2021 and 2020, the weighted average durations of the liabilities on long-term employee benefits were 12.6 years and 12.9 years, respectively.

The key assumptions used for actuarial calculation on the valuation dates were summarised below:

	Financial statements in which the equity method is applied and Separate financial statements	
	31 December 2021	31 December 2020
	(%)	(%)
Discount rate	2.1	1.5
Future salary incremental rate	6.0	6.0
Employee turnover rates (depending on age)	1.3 - 17.0	1.4 - 18.0

The results of sensitivity analysis based on key assumptions were summarised below:

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	Increase (decrease) in employee benefit obligations as at 31 December 2021		Increase (decrease) in employee benefit obligations as at 31 December 2020	
	+ 1 %	- 1 %	+ 1 %	- 1 %
Discount rate	(88.1)	105.1	(89.6)	107.5
Future salary incremental rate	94.3	(80.9)	97.5	(83.5)
Employee turnover rates	(36.2)	40.6	(37.6)	42.3

20. Deferred tax liabilities and income tax expenses

20.1 Deferred tax liabilities

As at 31 December 2021 and 2020, the components of deferred tax assets and liabilities consisted of tax effects arising from the following transactions.

	Financial statements in which the equity method is applied		(Unit: Thousand Baht) Changes in deferred tax assets or liabilities	
	31 December	31 December	For the years ended 31 December	
	2021	2020	2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	22,385	21,528	857	21,528
Allowance for impairment on investments	13,017	13,017	-	(1,940)
Premium reserves	232,679	226,271	6,408	(36,260)
Loss reserves of claims incurred and reported	395,068	388,778	6,290	34,861
Loss reserves of claims incurred but not yet reported	111,171	94,539	16,632	35,413
Lease liabilities	165,151	155,770	9,381	155,770
Employee benefit obligations	158,029	155,440	2,589	13,266
Others	11,004	4,998	6,006	(6,370)
Total	1,108,504	1,060,341		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,614,848	3,839,665	(775,183)	457,776
Right-of-use assets	180,253	177,312	(2,941)	(177,312)
Shares of profits from investments in associates	30,357	27,903	(2,454)	(4,508)
Total	4,825,458	4,044,880		
Deferred tax liabilities	3,716,954	2,984,539		
Total changes			(732,415)	492,224
Changes were recognised in:				
- Retained earnings at beginning of the years			-	9,204
- Other components of equity at beginning of the years			-	(542,707)
- Profit or loss			48,257	18,458
- Other comprehensive income			(780,672)	1,007,269
			(732,415)	492,224

(Unit: Thousand Baht)

	Separate financial statements		Changes in deferred tax assets or liabilities	
	31 December	31 December	For the years ended 31 December	
	2021	2020	2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	22,385	21,528	857	21,528
Allowance for impairment on investments	13,017	13,017	-	(1,940)
Premium reserves	232,679	226,271	6,408	36,260
Loss reserves of claims incurred and reported	395,068	388,778	6,290	34,861
Loss reserves of claims incurred but not yet reported	111,171	94,539	16,632	35,413
Lease liabilities	165,151	155,770	9,381	155,770
Provision for long-term employee benefits	158,029	155,440	2,589	13,266
Others	11,004	4,998	6,006	(6,370)
Total	1,108,504	1,060,341		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,614,848	3,839,665	(775,183)	457,776
Right-of-use assets	180,253	177,312	(2,941)	(177,312)
Total	4,795,101	4,016,977		
Deferred tax liabilities	3,686,597	2,956,636		
Total changes			(729,961)	496,732
Changes were recognised in:				
- Retained earnings at beginning of the years			-	9,204
- Other components of equity at beginning of the years			-	(542,707)
- Profit or loss			51,084	22,616
- Other comprehensive income			(781,045)	1,007,619
			(729,961)	496,732

20.2 Income tax expenses

Income tax expenses for the years ended 31 December 2021 and 2020 were made up as follows:

(Unit: Thousand Baht)				
	Financial statements in which the equity method is applied		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2021	2020	2021	2020
Current income taxes:				
Corporate income tax charge	(107,236)	(522,945)	(107,236)	(522,945)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	48,257	18,458	51,084	22,616
Income tax expenses reported in profit or loss	(58,979)	(504,487)	(56,152)	(500,329)

Reconciliations between income tax expenses and the product of accounting profits for the years ended 31 December 2021 and 2020 and the applicable tax rate were as follows:

(Unit: Thousand Baht)				
	Financial statements in which the equity method is applied		Separate financial Statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2021	2020	2021	2020
Accounting profits before income tax expenses	1,114,861	3,210,083	1,100,722	3,189,294
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(222,972)	(642,017)	(220,145)	(637,859)
Adjustment in respect of current income taxes of prior year	3	(30)	3	(30)
Net tax effect on tax-exempted revenues and non tax-deductible expenses	163,990	137,560	163,990	137,560
Income tax expenses reported in profit or loss	(58,979)	(504,487)	(56,152)	(500,329)

21. Share capital

As at 31 December 2021 and 2020, the Company's registered, issue and paid-up share capital consisted of 106,470,000 ordinary shares with a par value of Baht 10 each.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

23. Segment information/major customers

23.1 Segment information reporting

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance. The Chief Operating Decision Maker has been identified as Chairman.

For management purposes, the Company is organised into business units based on its products, which consisted of Fire, Marine and transportation, Motor, and Miscellaneous.

The Chief Operating Decision Maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss, total assets and total liabilities and on a basis consistent with that used to measure operating profit or loss, total assets and total liabilities in the financial statements.

The following table presented the Company's operating segment assets and liabilities as at 31 December 2021 and 2020.

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied						
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated	Total
Assets							
As at 31 December 2021	626,610	178,108	1,168,254	9,228,894	11,201,866	52,297,983	63,499,849
As at 31 December 2020	482,420	189,891	1,083,228	8,769,581	10,525,120	48,978,669	59,503,789
Liabilities							
As at 31 December 2021	3,139,366	316,869	6,503,782	13,196,962	23,156,979	7,524,770	30,681,749
As at 31 December 2020	2,918,068	322,660	6,995,641	12,082,322	22,318,691	6,842,051	29,160,742

(Unit: Thousand Baht)

Financial statements in which equity method is applied					
For the year ended 31 December 2021					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	1,724,310	782,473	9,317,741	12,686,466	24,510,990
Less: Premium ceded to reinsurers	(570,258)	(521,022)	(380,564)	(7,464,080)	(8,935,924)
Net premium written	1,154,052	261,451	8,937,177	5,222,386	15,575,066
Less: Unearned premium reserves increased from prior year	(103,287)	(7,030)	(71,726)	(156,282)	(338,325)
Earned premium	1,050,765	254,421	8,865,451	5,066,104	15,236,741
Commission and brokerage fee income	205,462	97,153	115,379	1,199,509	1,617,503
Total underwriting income	1,256,227	351,574	8,980,830	6,265,613	16,854,244
Underwriting expenses					
Net claims	456,799	58,078	4,664,999	5,800,436	10,980,312
Commission and brokerage expenses	343,819	58,041	1,416,937	1,213,642	3,032,439
Other underwriting expenses	252,874	76,961	885,711	979,991	2,195,537
Total underwriting expenses	1,053,492	193,080	6,967,647	7,994,069	16,208,288
Profit (loss) from underwriting	202,735	158,494	2,013,183	(1,728,456)	645,956
Investment revenue					1,052,973
Gains on investments					313,908
Shares of profits from investments in associates					20,427
Other income					204,249
Operating expenses					(988,510)
Investment expenses					(89,027)
Finance costs					(40,831)
Expected credit losses					(4,284)
Profit before income tax expenses					1,114,861
Less: Income tax expenses					(58,979)
Net profit					1,055,882

(Unit: Thousand Baht)

Financial statements in which equity method is applied

For the year ended 31 December 2020

	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	1,557,903	612,219	9,333,935	11,354,163	22,858,220
Less: Premium ceded to reinsurers	(557,860)	(374,731)	(304,039)	(6,812,235)	(8,048,865)
Net premium written	1,000,043	237,488	9,029,896	4,541,928	14,809,355
Add: Unearned premium reserves decreased from prior year	20,095	6,468	7,019	1,799	35,381
Earned premium	1,020,138	243,956	9,036,915	4,543,727	14,844,736
Commission and brokerage fee income	267,563	75,999	91,928	1,205,511	1,641,001
Total underwriting income	1,287,701	319,955	9,128,843	5,749,238	16,485,737
Underwriting expenses					
Net claims	261,234	60,094	5,974,178	2,076,466	8,371,972
Commission and brokerage expenses	298,480	47,213	1,422,287	1,097,254	2,865,234
Other underwriting expenses	261,931	88,858	1,007,238	1,017,394	2,375,421
Total underwriting expenses	821,645	196,165	8,403,703	4,191,114	13,612,627
Profit from underwriting	466,056	123,790	725,140	1,558,124	2,873,110
Investment revenue					1,127,222
Gains on investments					185,241
Shares of profits from investments in associates					20,790
Other income					174,083
Operating expenses					(984,279)
Investment expenses					(86,426)
Finance costs					(39,337)
Expected credit losses					(60,321)
Profit before income tax expenses					3,210,083
Less: Income tax expenses					(504,487)
Net profit					2,705,596

23.2 Geographic information

The Company operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

23.3 Major customers

In 2021 and 2020, the Company had gross premium written from one major customer amounting to Baht 2,614.3 million and Baht 2,495.0 million, respectively.

24. Operating expenses

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Personnel expenses	547,775	532,552
Premises and equipment expenses	229,708	261,382
Taxes and duties	741	913
Bad debts and doubtful accounts	6,541	1,918
Other operating expenses	203,745	187,514
Total	988,510	984,279

25. Expected credit losses

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Expected credit losses increased (decreased) during the year:		
Cash and cash equivalents	73	-
Accrued investment income	255	530
Investments in securities	(3,223)	54,083
Loans and interest receivables	7,179	5,708
Total	4,284	60,321

26. Expenses by nature

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Net claims	10,508,493	7,913,705
Commissions and brokerage expenses	3,032,439	2,865,234
Other underwriting expenses	717,581	795,710
Personnel expenses	1,491,445	1,450,378
Premises and equipment expenses	569,576	609,297
Other operating expenses	965,163	1,047,785
Investment expenses	1,128	1,223
Finance costs	40,831	39,337
Expected credit losses	4,284	60,321
Total	17,330,940	14,782,990

27. Provident fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed are made monthly by the employees at rates ranging from 5% to 15% and contributed to by the Company at rates ranging from 5% to 12% of the employees' basic salaries, based on the length or position level of employment in which criteria that provide more useful to employee. The fund is managed by a fund manager which has been approved by the Ministry of Finance. During the years ended 31 December 2021 and 2020, the Company recognised the contributed Baht 92.7 million and Baht 83.4 million, respectively, to the fund.

28. Earnings per share

Basic earnings per share is calculated by dividing net profits (excluding other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the years.

29. Dividends paid

Dividends declared during the years 2021 and 2020 were as follow:

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
The 3 rd interim dividend for 2021	Meeting No 6/21 of Board of Directors on 12 November 2021	319.41	3.00
The 2 nd interim dividend for 2021	Meeting No. 5/21 of Board of Directors on 10 September 2021	372.64	3.50
The 1 st interim dividend for 2021	Meeting No. 3/21 of Board of Directors on 14 May 2021	372.64	3.50
Annual dividend for 2020	The 28 th Annual General Meeting of the shareholders on 23 April 2021	638.83	6.00
Total dividends for the year 2021		1,703.52	16.00

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
The 3 rd interim dividend for 2020	Meeting No.5/20 of Board of Directors on 13 November 2020	319.41	3.00
The 2 nd interim dividend for 2020	Meeting No. 4/20 of Board of Directors on 14 August 2020	319.41	3.00
The 1 st interim dividend for 2020	Meeting No. 3/20 of Board of Directors on 15 May 2020	319.41	3.00
The 4 th interim dividend for 2019	Meeting No. 2/20 of Board of Directors on 13 April 2020	532.35	5.00
Total dividends for the year 2020		1,490.58	14.00

30. Related party transactions

30.1 Nature of relationship

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationship between the Company and its related parties are summarised below:

Name of related parties	Type of business	Relationship with the Company
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Associate
Bangkok Bank Pcl.	Banking	Related by way of having common directors and shareholding
Bangkok Aviation Fuel Services Pcl.	Energy and Utilities	Related by way of having common directors and shareholding
Asia Plus Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd. ⁽¹⁾	Manufacture of Textiles	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited ⁽²⁾	Holding company	Related by way of having common directors and shareholding
Thai Reinsurance Pcl.	Insurance	Related by way of having common directors and shareholding
Charoong Thai Wire and Cable Pcl.	Industrial materials and Machine	Related by way of having common directors and shareholding
Fine Metal Technologies Pcl.	Industrial materials and Machine	Related by way of having common directors and shareholding
Bumrungrad Hospital Pcl.	Health care services	Related by way of having common directors and shareholding
Bangkok Glass Pcl.	Packaging	Related by way of having common directors and shareholding
Sorachai Vivatn Co., Ltd.	Property development	Related by way of having common directors and shareholding
Bangpa-in golf Co., Ltd.	Entertainment and Leisure	Related by way of having common directors and shareholding
Thai Metal Processing Co., Ltd.	Electronic parts	Related by way of having common directors and shareholding
Asia Sermkij Co., Ltd.	Finance	Related by way of having common directors and shareholding
AIOL Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company

⁽¹⁾ This entity has been ceased a related party since 18 February 2021, which was the date when there was no common directors.

⁽²⁾ This entity has been ceased a related party since 19 July 2021, which was the date when such company dissolved.

30.2 Significant related party transactions

During the years ended 31 December 2021 and 2020, the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties were as follows:

(Unit: Thousand Baht)

	For the years ended		Pricing policy
	31 December		
	2021	2020	
<u>Transactions with associates and related companies</u>			
<i>Revenues</i>			
Premium written	730,799	674,871	Normal commercial terms for underwriting
Fee and commission income	249,291	221,699	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Interest income ⁽¹⁾	56,692	74,446	Similar rates those related party financial institutions and companies offered to their general customers
Dividend income ⁽¹⁾	551,944	583,749	The declared amount
Rental income ⁽²⁾	8,247	5,101	Same rates the Company offered to its general customers
<i>Expenses</i>			
Premium ceded to reinsurers	772,549	681,244	Normal commercial terms for reinsurance depending on types of insurance and reinsurance contracts
Net claims	(371,652)	(230,722)	As actually incurred
Commissions and brokerages	87,108	74,426	Normal commercial terms for underwriting
Fee for trading securities ⁽³⁾	1,056	1,094	Similar rates those related companies offered to their general customers
<i>Owner's equity</i>			
Dividend paid	223,637	196,580	The declared amount

⁽¹⁾ Presented in "Net investment revenue" in statements of comprehensive income

⁽²⁾ Presented in "Other income" in statements of comprehensive income

⁽³⁾ Presented in "Operating expenses" in statements of comprehensive income

30.3 Outstanding balances

As at 31 December 2021 and 2020, the Company had the following significant balances with its related companies.

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
<u>Associates</u>		
Investment in associates - cost	129,396	129,396
<u>Related companies</u>		
Deposits at financial institutions	6,660,957	8,388,796
Premium receivables	54,328	28,209
Accrued interest income on debentures ⁽¹⁾	111	111
Reinsurance assets		
Amounts deposited on reinsurance	7,714	7,117
Amounts due from reinsurers	48,909	8,730
Available-for-sale investments measured at fair value through other comprehensive income		
Equity securities	23,811,844	20,165,152
Debt securities	8,889	9,404
Loans and interest receivables	156,778	157,178
Other assets		
Deposits and golf club membership fees	35,407	35,900
Account receivable on sales of securities	-	3,779
Due to reinsurers		
Amounts withheld on reinsurance	112,035	99,714
Amounts due to reinsurers	30,166	61,376
Other Liabilities		
Accounts payable on purchases of securities	3,553	-

⁽¹⁾ Presented in "Accrued investment income" in statements of financial position

30.4 Directors' and key management's benefits

During the years ended 31 December 2021 and 2020, the Company had employee benefit expenses incurred on their directors and key management as below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Short-term benefits	100.0	89.8
Post-employment benefits	9.6	10.1
Total	109.6	99.9

31. Contribution to the General Insurance Fund

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended 31 December	
	2021	2020
Accumulated contribution at beginning of the years	420,852	366,986
Contributions during the years	57,381	53,866
Accumulated contribution at end of the years	478,233	420,852

32. Commitments and contingent liabilities

32.1 Capital Commitments

As at 31 December 2021 and 2020, there were outstanding capital commitments contracted for decoration and renovation of building, totaling to Baht 5.8 million and Baht 23.5 million, respectively, and there were outstanding capital commitments contracted for computer software development totaling to Baht 402.2 million and Baht 51.7 million, respectively.

32.2 Litigation

As at 31 December 2021 and 2020, the Company had litigation claims totaling approximately Baht 3,367.9 million and Baht 2,859.9 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 510.7 million and Baht 340.3 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 206.6 million and Baht 116.0 million, respectively, which were already recognised in “Insurance contract liabilities” in the statements of financial position as at those dates.

33. Risks and risk management policies

33.1 Insurance risk

The Company gives a high priority to insurance risk since accepting insurance is the Company’s core business. Therefore, the Company set a policy to underwrite insurance prudently and in line with the real insurance risk, a policy to manage claim promptly and on a fairness basis, and a policy to have insurance ceded in line with other types of risk such as credit risk, taking into accounts creditability of reinsurer, which shall have credit rating not less than the Company’s determined policy and concentration risk, taking into accounts the proportion of product mix and the reinsurance concentration not to be exceeding the settling limit.

Concentration of insurance contract liabilities segregated by insurance type was shown below.

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements						
31 December 2021						
	Gross premium reserves	Outward premium reserves	Net	Gross loss reserves	Outward loss reserves	Net
Fire	909,894	(277,447)	632,447	479,387	(161,259)	318,128
Marine and transportation	149,730	(63,686)	86,044	86,039	(39,037)	47,002
Motor	4,860,890	(192,580)	4,668,310	1,591,215	(51,946)	1,539,269
Miscellaneous	5,071,425	(3,064,806)	2,006,619	5,532,339	(4,079,698)	1,452,641
Total	10,991,939	(3,598,519)	7,393,420	7,688,980	(4,331,940)	3,357,040

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements						
31 December 2020						
	Gross premium reserves	Outward premium reserves	Net	Gross loss reserves	Outward loss reserves	Net
Fire	795,785	(266,625)	529,160	259,543	(84,461)	175,082
Marine and transportation	142,350	(63,336)	79,014	90,659	(43,095)	47,564
Motor	4,748,402	(151,819)	4,596,583	2,200,473	(45,698)	2,154,775
Miscellaneous	4,624,179	(2,773,841)	1,850,338	5,161,123	(4,131,294)	1,029,829
Total	10,310,716	(3,255,621)	7,055,095	7,711,798	(4,304,548)	3,407,250

Sensitivity analysis is performed to analyse the risk that insurance liabilities will increase or decrease as a result of changes in the assumptions used in calculating for both gross and net loss reserves. The risk may occur because the frequency and severity of damage, or loss adjustment expenses may not be as expected. This information is not a forecast or prediction of future market conditions and should be used with care.

(Unit: Million Baht)

Financial statements in which the equity method is applied and Separate financial statements					
31 December 2021					
	Assumption	Increase (decrease) in provision for gross claim liabilities	Increase (decrease) in provision for net claim liabilities	Increase (decrease) in profit before taxes	Increase (decrease) in owner's equity
	change				
Average claim expenses	+10 %	1,351.2	1,043.6	(1,043.6)	(834.9)
Average claim expenses	-10 %	(1,351.2)	(1,043.6)	1,043.6	834.9
Average number of claim	+10 %	1,351.2	1,043.6	(1,043.6)	(834.9)
Average number of claim	-10 %	(1,351.2)	(1,043.6)	1,043.6	834.9

(Unit: Million Baht)

Financial statements in which the equity method is applied and Separate financial statements					
31 December 2020					
	Assumption	Increase (decrease) in provision for gross claim liabilities	Increase (decrease) in provision for net claim liabilities	Increase (decrease) in profit before taxes	Increase (decrease) in owner's equity
	change				
Average claim expenses	+10 %	1,147.1	772.1	(772.1)	(617.7)
Average claim expenses	-10 %	(1,147.1)	(772.1)	772.1	617.7
Average number of claim	+10 %	1,147.1	772.1	(772.1)	(617.7)
Average number of claim	-10 %	(1,147.1)	(772.1)	772.1	617.7

33.2 Credit risk

Insurance assets

Concentrations of the credit risk with respect to premium receivables and amounts due from reinsurers are considered low since the insured and reinsurers are diversified in various industry sectors throughout the regions in Thailand.

The Company has considered the financial status and credit rating of all reinsurance companies and ceded to many trustworthy ceding companies that are capable of reinsurance. This helps diversification of risk. In addition, it has cautiously scrutinised the reinsurance conditions through the unit that is well versed in the reinsurance business and have its legal department considered legal aspects, in order to minimize such risk and also possesses an efficient process of closely following up its outstanding premiums from the insured, agent and broker, apart from requiring the agent and broker to place collateral according to the specified credit limit required by the Company.

The maximum exposure to credit risk is limited to the carrying value of assets after deduction of allowance for doubtful accounts as stated in the statements of financial position.

Financial assets

Concentrations of the credit risk with respect to mortgaged loans are considered low due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand. In addition, the values of the securities placed as collateral are adequate to settle debt and the ratios of loans to collateral values is in accordance with the notification of the OIC. The Company will consider its debtors' financial status and ability to pay debt based on a sound credit analysis standard, including determination of loan to value ratio so that it is not beyond the legal limit and monitor cash inflows in each month, including consistency of debt payment.

The Company continuously monitors all assets subject to Expected credit loss (ECL). In order to determine ECL from asset classification policy by using 12-month expected credit losses and Lifetime expected credit loss appropriately.

The Company considers guidelines on asset classification under credit risk characteristic as follows:

Stage 1 - Assets with no significant increase in credit risk (performing)

Stage 2 - Assets with significant increase in credit risk (under-performing)

Stage 3 - Credit-impaired or defaulted assets (non-performing)

As for criteria in asset classification, ECL provisioning and assets written off, the Company considers both quantitative and qualitative factors. In consideration of quantitative factors, it takes into accounts default periods of contractual interest and principal payments determined overdue periods (e.g. 30 days past due or 90 days past due) and soon. Qualitative factors should also be considered. Such as, in case that it is unlikely to receive the outstanding contractual amounts, significant decrease in credit quality of counterparties is expected, events that impact on business performance and credit rating of the issuer and forecasted information such as economic and industrial conditions, which are also factors to consider significant increase in credit risk.

The information relating to credit quality of financial assets were as below:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 December 2021			
	Stage 1 - Loans without a significant increase in credit risk	Stage 2 - Loans with a significant increase in credit risk	Stage 3 - Credit - impaired loans	Total
Cash and cash equivalents				
Investment grade	561,799	-	-	561,799
Less: Allowance for expected credit losses	(73)	-	-	(73)
Net book value	561,726	-	-	561,726
Accrued investment income				
Investment grade	38,000	-	-	38,000
Non-investment grade	-	-	900	900
Total	38,000	-	900	38,900
Less: Allowance for expected credit losses	(11)	-	(787)	(798)
Net book value	37,989	-	113	38,102
Available-for-sale investments				
measured at fair value through other comprehensive income				
Investment grade	5,156,385	-	-	5,156,385
Non-investment grade	-	-	52,360	52,360
Total fair value	5,156,385	-	52,360	5,208,745
Allowance for expected credit losses recognised in profit or loss	(1,341)	-	(50,401)	(51,742)
Id-to-maturity investments measured at amortised cost				
Investment grade	10,581,559	-	-	10,581,559
Less: Allowance for expected credit losses	(2,876)	-	-	(2,876)
Net book value	10,578,683	-	-	10,578,683
Loans and interest receivables				
Not yet due	1,284,884	1,417	-	1,286,301
Over due				
Less than 3 months	-	822	-	822
6 - 12 months	-	-	35,818	35,818
Longer than 12 months	-	-	133,617	133,617
Total	1,284,884	2,239	169,435	1,456,558
Less: Allowance for expected credit losses	-	-	(56,436)	(56,436)
Net book value	1,284,884	2,239	112,999	1,400,122

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

	31 December 2020			
	Stage 1 - Loans without a significant increase in credit risk	Stage 2 - Loans with a significant increase in credit risk	Stage 3 - Credit - impaired loans	Total
Cash and cash equivalents				
Investment grade	141,557	-	-	141,557
Less: Allowance for expected credit losses	-	-	-	-
Net book value	141,557	-	-	141,557
Accrued investment income				
Investment grade	42,379	-	-	42,379
Non-investment grade	-	-	1,028	1,028
Total	42,379	-	1,028	43,407
Less: Allowance for expected credit losses	(9)	-	(534)	(543)
Net book value	42,370	-	494	42,864
Available-for-sale investments measured at fair value through other comprehensive income				
Investment grade	3,827,529	-	-	3,827,529
Non-investment grade	-	-	52,030	52,030
Total fair value	3,827,529	-	52,030	3,879,559
Allowance for expected credit losses recognised in profit or loss	734	-	54,407	55,141
Id-to-maturity investments measured at amortised cost				
Investment grade	13,729,657	-	-	13,729,657
Less: Allowance for expected credit losses	(2,701)	-	-	(2,701)
Net book value	13,726,956	-	-	13,726,956
Loans and interest receivables				
Not yet due	1,039,144	-	-	1,039,144
Over due				
Less than 3 months	313,547	17,942	-	331,489
3 - 6 months	-	-	21,426	21,426
Longer than 12 months	-	-	133,617	133,617
Total	1,352,691	17,942	155,043	1,525,676
Less: Allowance for expected credit losses	(1)	-	(49,256)	(49,257)
Net book value	1,352,690	17,942	105,787	1,476,419

The above table showed the maximum exposure to credit risk for financial assets. The maximum exposure was shown in gross carrying amounts before collateral or any activities that could mitigate credit risk.

For financial assets recognised in the statement of financial position, the maximum exposure to credit risk equals their gross carrying amounts net of allowance for expected credit losses.

The significant movements in allowance for expected credit losses were stated below:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	For the years ended 31 December 2021			
	Stage 1 - Loans without a significant increase in credit risk	Stage 2 - Loans with a significant increase in credit risk	Stage 3 - Credit - impaired loans	Total
Available-for-sale investments				
measured at fair value through other comprehensive income				
Beginning balance - 1 January 2021	734	-	54,407	55,141
Change due to remeasurement of allowance for expected credit losses	149	-	(4,006)	(3,857)
Newly purchased or acquired financial assets	659	-	-	659
Amounts derecognised	(201)	-	-	(201)
Ending balance - 31 December 2021	1,341	-	50,401	51,742
Held-to-maturity investments				
measured at amortised cost				
Beginning balance - 1 January 2021	2,701	-	-	2,701
Change due to remeasurement of allowance for expected credit losses	16	-	-	16
Newly purchased or acquired financial assets	2,774	-	-	2,774
Amounts derecognised	(2,615)	-	-	(2,615)
Ending balance - 31 December 2021	2,876	-	-	2,876
Loans and interest receivables				
Beginning balance - 1 January 2021				
Change due to remeasurement of allowance for expected credit losses	-	-	49,257	49,257
Newly purchased or acquired financial assets	-	-	7,179	7,179
Ending balance - 31 December 2021	-	-	56,436	56,436

(Unit: Thousand Baht)

Financial statements in which the equity method is applied
and Separate financial statements

For the years ended 31 December 2020

	Stage 1 - Loans without a significant increase in credit risk	Stage 2 - Loans with a significant increase in credit risk	Stage 3 - Credit - impaired loans	Total
Available-for-sale investments				
measured at fair value through other comprehensive income				
Beginning balance - 1 January 2020	1,903	-	-	1,903
Change due to restaging	(98)	-	98	-
Change due to remeasurement of allowance for expected credit losses	171	-	54,309	54,480
Newly purchased or acquired financial assets	126	-	-	126
Amounts derecognised	(1,368)	-	-	(1,368)
Ending balance - 31 December 2020	734	-	54,407	55,141
Held-to-maturity investments				
measured at amortised cost				
Beginning balance - 1 January 2020	1,857	-	-	1,857
Change due to remeasurement of allowance for expected credit losses	1	-	-	1
Newly purchased or acquired financial assets	2,690	-	-	2,690
Amounts derecognised	(1,847)	-	-	(1,847)
Ending balance - 31 December 2020	2,701	-	-	2,701
Loans and interest receivables				
Beginning balance - 1 January 2020	1	-	43,548	43,549
Change due to remeasurement of allowance for expected credit losses	(1)	-	5,708	5,707
Newly purchased or acquired financial assets	1	-	-	1
Ending balance - 31 December 2020	1	-	49,256	49,257

33.3 Market risk

Market risk is the risk that changes in interest rate, exchange rate, and equity prices could lead to volatility in the financial position of the Company.

(a) Interest rate risk

The Company's exposure to interest rate risk relates primarily to its deposits at financial institutions, investments in securities and loans.

The Company's exposure to interest rate risk relates to loans is low because most of loans bear floating interest rate. Whenever market rate is significantly higher than the rate in loans' agreement, the Company can adjust the interest without deniable by borrower according to the defined criteria in loan agreement between the Company and borrower for loans which bear fixed interest rate.

The Company has closely followed up the determination of the policy interest rates of the Bank of Thailand, direction of a change in the United States' Federal Reserve's interest rates, and return rates in the debt securities market in order to define the investment duration in accordance with the fluctuation of interest rates. In addition, the Company also has a policy of occupying debt instruments until they are due so as to minimize the risks incurred by instrument price volatility, apart from managing its bank deposits so that they have due amounts every month and in an approximate amount, which helps reduce a reinvestment risk.

As at 31 December 2021 and 2020, significant assets and liabilities classified by type of interest rate were summarised below;

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements						
	31 December 2021						
	Fixed interest rates				Non-		
	Maturity date or repricing date				interest		Effective
	Within	1 - 5	Over	Floating	bearing	Total	interest rate
	1 year	years	5 years	interest rate			(% per annum)
Financial assets							
Cash and cash equivalents	309,927	-	-	218,329	33,470	561,726	0.13 - 0.45
Accrued investment income	37,972	130	-	-	-	38,102	0.13 - 3.60
Investments in securities							
Government and state							
enterprise securities	3,295,207	823,158	344,523	-	-	4,462,888	0.45 - 2.40
Private enterprise debt							
securities	110,365	468,629	166,863	-	-	745,857	0.72 - 3.60
Common stocks	-	-	-	-	29,430,140	29,430,140	-
Unit trusts	-	-	-	-	1,829,929	1,829,929	-
Deposits at financial							
institutions	10,498,702	79,981	-	-	-	10,578,683	0.45 - 0.70
Loans and interest							
receivables	201	8,038	153,100	1,238,783	-	1,400,122	2.50 - 7.00
Financial liabilities							
Lease liabilities	20,898	31,070	773,786	-	-	825,754	5.00 - 5.21
Assets under insurance contracts							
Premium receivables	-	-	-	-	3,004,544	3,004,544	-
Reinsurance assets - loss							
reserves	-	-	-	-	4,331,940	4,331,940	-
Reinsurance receivables	-	-	-	-	628,974	628,974	-
Liabilities under insurance contracts							
Insurance contract liabilities -							
loss reserves	-	-	-	-	7,688,980	7,688,980	-
Due to reinsurers	-	-	-	-	3,188,391	3,188,391	-

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements

31 December 2020

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Maturity date or repricing date						
	Within 1 year	1 - 5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	-	-	-	138,770	2,787	141,557	0.13 - 0.30
Accrued investment income	38,443	-	494	-	3,927	42,864	0.38 - 4.62
Investments in securities							
Government and state enterprise securities	2,022,326	1,062,973	215,221	-	-	3,300,520	0.50 - 2.40
Private enterprise debt securities	130,657	352,574	95,808	-	-	579,039	2.11 - 4.62
Common stocks	-	-	-	-	25,112,950	25,112,950	-
Unit trusts	-	-	-	-	1,704,622	1,704,622	-
Deposits at financial institutions	13,726,956	-	-	-	-	13,726,956	0.38 - 1.45
Loans and interest receivables	333	8,837	144,683	1,322,566	-	1,476,419	2.50 - 7.00
Financial liabilities							
Lease liabilities	14,450	(3,062)	767,461	-	-	778,849	5.00 - 5.21
Assets under insurance contracts							
Premium receivables	-	-	-	-	2,765,897	2,765,897	-
Reinsurance assets - loss reserves	-	-	-	-	4,304,548	4,304,548	-
Reinsurance receivables	-	-	-	-	389,322	389,322	-
Liabilities under insurance contracts							
Insurance contract liabilities - loss reserves	-	-	-	-	7,711,798	7,711,798	-
Due to reinsurers	-	-	-	-	2,737,452	2,737,452	-

The changes in interest rates affected on the Company's profit and loss and owners' equity as at 31 December 2021 and 2020 were summarised below:

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2021		
	Interest rate change	Profit before income	Owners' equity
	increased (decreased)	tax increased (decreased)	increased (decreased)
	(%)		
Investments in debt instruments	0.25 (0.25)	- -	(11.9) 12.1
Deposits at financial institutions	0.25 (0.25)	15.4 (15.4)	12.3 (12.3)
Loans and interest receivables	0.50 (0.50)	4.6 (4.6)	3.7 (3.7)

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2020		
	Interest rate change	Profit before income	Owners' equity
	increased (decreased)	tax increased (decreased)	increased (decreased)
	(%)		
Investments in debt instruments	0.25 (0.25)	- -	(8.7) 8.7
Deposits at financial institutions	0.25 (0.25)	19.7 (19.7)	15.7 (15.7)
Loans and interest receivables	0.50 (0.50)	4.7 (4.7)	3.7 (3.7)

The above analysis has been prepared assuming that the amounts of the floating rate financial assets and all other variables remain constant for a year. Moreover, the floating legs of these assets are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest fully paid in 12 months. This information is not a forecast or prediction of future market conditions and should be used with care.

(b) Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from foreign currency denominated underwriting, reinsurance with foreign reinsurers and investments in foreign associates that are denominated in foreign currencies. The Company does not utilise forward foreign currency contracts to mitigate its exposure to foreign currency risk.

The Company may use financial instruments to prevent exchange rate risks, for instance, Cross Currency and Interest Rate Swap, Interest Rate Swap, and Foreign Exchange Forward, in order to minimize the risks in accordance with the market situation and in line with the regulator's requirements. Furthermore, the Company has also developed its information technology system so as to be used to evaluate the level of investment risk through various assessment methods and models, for example, Value at Risk, Sensitivity Analysis, and Stress Test to ensure that the Company still has financial standing flexible enough to counter the damage which may occur.

As at 31 December 2021 and 2020, the Company did not enter into any forward foreign exchange contracts to mitigate possible foreign exchange risk.

Foreign currency	Assets		Liabilities		Average exchange rate	
	31 December		31 December		31 December	
	2021	2020	2021	2020	2021	2020
	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Baht per 1 foreign currency unit)	
US dollar	497.1	362.3	380.2	389.6	33.373	29.991
Philippine peso	66.9	32.2	13.6	-	0.652	0.623
Euro	18.2	1.5	-	-	37.841	36.816
China yuan	16.9	5.3	-	-	5.234	4.601
Japan yen	14.6	0.9	-	-	0.290	0.290
HK dollar	13.9	7.6	-	3.9	4.281	3.866
Vietnam dong	0.5	0.5	-	-	0.001	0.001
Lao kip	0.4	-	-	-	0.003	0.003
Taiwan dollar	-	-	32.2	-	1.209	1.069
Indonesia rupiahs	-	2.9	1.9	0.1	0.002	0.002
Poundsterling	-	1.4	0.6	0.1	45.022	40.562
Pakistan rupee	-	-	0.3	-	0.187	0.187
Brunai dollar	-	0.5	-	-	24.672	22.612
Australia dollar	-	-	-	0.1	24.224	22.878

(c) Equity position risk

Equity position risk is the risk that change in the market prices of equity securities will result in fluctuations in revenues and in the value of financial assets.

The Company will choose to invest in equity securities of which the issuers possess robust financial status and an ability to make a profit, with steady growth potential, as well as in the business deriving the benefits of the government policy. Additionally, the Company will mostly occupy equity instruments for its long-term investments, which will be able to reduce price volatility of equity instruments.

As at 31 December 2021 and 2020, the Company had risk from its investments in equity securities of which the price would change with reference to market conditions.

33.4 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss. The Company has allocated a portion of investment as a bank deposit with high liquidity, which is reserved for operating expenses, while the deposit is defined to be due in each period, in conformity with a demand for spending in accordance with a plan for the cash flow management, financial reception and payment based on an obligation established. As to the other portion, the Company has allotted investment in stocks required by the market, with high liquidity and an ability to be realized as cash conveniently, as well as at the value approximate to the fair value.

Counting from the financial position date, the periods to maturity of assets and liabilities held as at 31 December 2021 and 2020 were as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements					
	31 December 2021					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	251,799	309,927	-	-	-	561,726
Accrued investment income	-	37,972	130	-	-	38,102
Investments in securities	-	13,904,274.	1,371,768	511,386	31,260,069	47,047,497
Loans and interest receivables	96,163	575,854	541,043	187,062	-	1,400,122
Financial liabilities						
Lease liabilities	-	61,832	189,040	1,564,825	-	1,815,697
Assets under insurance contracts						
Premium receivables	-	3,004,544	-	-	-	3,004,544
Reinsurance assets - loss reserves	-	3,027,950	1,303,990	-	-	4,331,940
Reinsurance receivables	-	628,974	-	-	-	628,974
Liabilities under insurance contracts						
Insurance contract liabilities - loss reserves	-	5,374,462	2,314,518	-	-	7,688,980
Due to reinsurers	-	3,188,391	-	-	-	3,188,391

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements

	31 December 2020					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	141,557	-	-	-	-	141,557
Accrued investment income	-	42,370	-	-	494	42,864
Investments in securities	-	15,879,939	1,415,547	311,029	26,817,573	44,424,088
Loans and interest receivables	101,568	709,178	452,750	212,923	-	1,476,419
Financial liabilities						
Lease liabilities	-	53,431	150,970	1,597,490	-	1,801,891
Assets under insurance contracts						
Premium receivables	-	2,765,897	-	-	-	2,765,897
Reinsurance assets - loss reserves	-	2,771,704	1,532,844	-	-	4,304,548
Reinsurance receivables	-	389,322	-	-	-	389,322
Liabilities under insurance contracts						
Insurance contract liabilities - loss reserves	-	4,965,637	2,746,161	-	-	7,711,798
Due to reinsurers	-	2,737,452	-	-	-	2,737,452

34. Fair value of financial assets

As of 31 December 2021 and 2020, the Company had the following financial assets that were measured at fair value or cost but fair value were disclosed by using different levels of inputs as follows:

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements					
31 December 2021					
Fair Value					Carrying
Level 1	Level 2	Level 3	Total	Value	
Financial assets					
measured at fair value					
Investments in securities					
Government and state					
enterprise securities	-	4,462,888	-	4,462,888	4,462,888
Private enterprise debt					
securities	-	745,857	-	745,857	745,857
Equity securities	28,081,731	53,022	3,125,316	31,260,069	31,260,069
Financial asset for which					
fair value are disclosed					
Cash and cash equivalent	561,726	-	-	561,726	561,726
Accrued investment income	38,102	-	-	38,102	38,102
Investment in securities					
Held-to-maturity					
investments	10,578,683	-	-	10,578,683	10,578,683
Loans and interest					
receivables	-	-	1,384,649	1,384,649	1,400,122
Investment properties - net	-	-	192,424	192,424	100,700

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements				
	31 December 2020				
	Fair Value				Carrying
	Level 1	Level 2	Level 3	Total	Value
Financial assets					
measured at fair value					
Investments in securities					
Government and state					
enterprise securities	-	3,300,520	-	3,300,520	3,300,520
Private enterprise debt					
securities	-	579,039	-	579,039	579,039
Equity securities	24,024,544	46,356	2,746,673	26,817,573	26,817,573
Financial asset for which					
fair value are disclosed					
Cash and cash equivalent	141,557	-	-	141,557	141,557
Accrued investment income	42,863	-	-	42,863	42,863
Investment in securities					
Held-to-maturity					
investments	13,726,956	-	-	13,726,956	13,726,956
Loans and interest					
receivables	-	-	1,457,855	1,457,855	1,476,419
Investment properties - net	-	-	225,789	225,789	117,930

The fair value hierarchy of financial assets were described in Note 4.20 to the financial statements. During the years, there were no transfers within the fair value hierarchy.

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- Financial assets with short-term maturity, which were cash and cash equivalents and accrued investment income, were presented at fair value, which were estimated to approximate their carrying values as stated in the statements of financial position.
- Investments in equity securities were presented at fair value, which was derived from market price. In case of non-marketable equity securities, the fair value was determined using generally accepted methods, e.g. price per book value method or discounted cash flow techniques discounted by the Weighted Average Cost of Capital (WACC) appropriate to each security, except for unit trusts, which are not listed on the Stock Exchange of Thailand, their fair values are determined using the net asset value per unit announced by the fund managers.

- (c) Investments in debts securities were presented at market prices or determined using the yield curve as announced by the Thai Bond Market Association.
- (d) Loans were presented at fair value, which is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- (e) Investment properties were presented at fair values, which are appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee.

Reconciliation of fair value measurements of equity financial assets, categorised within Level 3 of the fair value hierarchy, were presented below:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the year ended 31 December	
	2021	2020
Balances - beginning of the years	2,746,673	3,440,555
Addition (disposal) during the years	70,171	(23,831)
Gains (losses) on revaluation during the years	308,472	(670,051)
Balances - end of the years	3,125,316	2,746,673

35. Capital management

The primary objectives of the Company's capital management are to ensure that presences the ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the Office of Insurance Commission.

36. Approval of financial statements

These financial statements were authorised for issue by the Company's Executive Directors on 23 February 2022.

FINANCIAL RATIO

		2021	2020	2019
Liquidity Ratio				
Current Ratio	(Times)	0.75	0.86	0.79
Receivable Turnover	(Times)	8.49	8.24	7.66
Collection Period	(Days)	42.38	43.69	47.00
Profitability Ratio				
Retention Rate	(%)	102.22	99.76	109.56
Loss Ratio	(%)	72.06	56.40	54.07
Profit Margin	(%)	(2.20)	12.75	8.06
Underwriting and Operation Expenses Ratio	(%)	30.45	31.14	37.12
Return on Investment	(%)	3.23	3.25	3.59
Net Premium Ratio	(Times)	0.49	0.48	0.44
Net Profit Margin	(%)	6.27	16.55	16.50
Return on Equity	(%)	3.34	8.82	7.44
Efficiency Ration				
Return on Assets	(%)	1.81	5.50	4.72
Fixed Assets Turnover	(Times)	10.58	13.11	16.13
Total Assets Turnover	(Times)	0.27	0.28	0.25
Financial Ratio				
Debt to Equity Ratio	(Times)	0.93	0.96	0.85
Policy Liability to Capital Fund	(Times)	0.57	0.59	0.50
Equity/Net Premium Income	(Times)	2.11	2.05	2.15
Equity/Net Outstanding Claims	(Times)	4.27	3.93	5.51
Equity/Assets	(Times)	0.52	0.51	0.54
Unearned Premium Reserve to Equity	(Times)	0.33	0.34	0.32
Unearned Premium Reserve/Total Assets	(%)	17.31	17.33	17.41
Payout Ratio	(%)	151.21	59.03	60.82
Per Share				
Par Value	(Baht)	10.00	10.00	10.00
Book Value	(Baht)	308.24	284.99	291.38
Basic Earning	(Baht)	9.92	25.41	23.02
Dividends	(Baht)	15.00	15.00	14.00
Growth Rate				
Premium Written	(%)	7.23	8.80	21.26
Underwriting Profit	(%)	(118.14)	62.27	(20.87)
Investment Profit	(%)	10.12	(16.25)	23.29
Profit Before Income Tax Expenses	(%)	(65.27)	15.22	0.02
Income Tax Expenses	(%)	(88.31)	50.74	(11.58)
Net Profit	(%)	(60.97)	10.37	1.85
Total Assets	(%)	6.72	3.80	(5.43)

OTHER REFERENCE PERSONS

Securities Registra

Thailand Securities Depository Co., Ltd.
93, 14th Floor, Ratchadaphisek Road, Dindaeng,
Dindaeng, Bangkok 10400
Tel. 0 2009 9000
Fax 0 2009 9991
SET Center: 0 2009 9999
www.set.or.th/tsd

Legal Adviser

- None

Financial Adviser

- None

Principal Financial Institution

Bangkok Bank Public Co., Ltd.

Trustee

- None

Auditor

Rachada Yongsawadvanich
Certified Public Accountant (Thailand) No. 4951
EY Office Limited
33rd Floor, Lake Rajada Office Complex,
193/136-137 Ratchadaphisek Road, Klongtoey, Bangkok 10110
Tel. 0 2264 0777
Fax 0 2264 0789-90
email: ey.thailand@th.ey.com
www.ey.com

